










KEY PERFORMANCE AREAS	KEY PERFORMANCE INDICATORS	BUDGET INPUTS	ACTUAL EXPENDITURE	ANNUAL TARGET	RATE 1-3	ACTUALS	MEASURES TO IMPROVE PERFORMANCE
Operational Management: Mayoral and MM Office	Managers					SDBIP	
	Involve the Community in the Annual Report and submit views to the Oversight Committee	Salary Budget	Input: Human Resource/ In-house Project	31 March 2009		The Ward Meeting held in February gave report on the Annual Report and consultation in order to compile the Oversight Report.	Done
	Assist members of the community on service level and Batho Pele issues.	Salary Budget	Input: Human Resource/ In-house Project	31 June		Conducted a workshop on the front-line staff on Batho Pele and participated in the IDP and BUDGET community road-shows.	Done
	The establishment of a Municipal Central Help Desk.	Salary Budget	Input: Human Resource/ In-house Project	31 June 2009		The central Help Desk is due for proper function in the 2009/2010	The procurement of IT system has caused the delay in implementation
	Conducting of Community Surveys Twice a Year	Nil	Input: No Resources	31 June 2009		Survey to be conducted in the period of November/December 2009	Surveys to be done in Jan-Feb 2010
Operational Management: Mayoral and MM Office	Provide on-going management and supervision in the office of the Mayor and the Municipal Manager	Salary Budget	Input: Human Resource/ In-house Project	31 June 2009		Provide on-going administration support in the office of the Mayor.	Done

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	Co-ordinate the Mayoral Address to the state of the municipality.	R187 000	Input: Human Resource/ In-house Project	31 July 2008		Draw-up the program leading to the event, draw-up budget for the event and prepare the speech for the mayor.	Done
	Prepare the Annual Mayoral Employees Performance Awards	R130 000	Input: Human Resource/ In-house Project Budget R120 000	31 December 2009		Develop guidelines and procedures for the Mayoral Performance Awards. Co-ordinate	Done

DEPARTMENT: CORPORATE SERVICES

Human Resources and IT Services, leading and managing staff, staff control and discipline, offer support service to council and management, skills development, job evaluation, by-laws and employment equity, implementing and managing strategic goals, policies, procedures and plans for the department.

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Manage staff within the department so that they are able to meet their objectives.	Every employee to have a role description and Weekly WORK LOG link to the overall strategic objectives of the department	Human Resource	NIL	Report Submitted to the Evaluation Committee at the end of the fourth Term.		Every Employee is having a Job description and have not concluded work-logs	Done
	C. Management of <ul style="list-style-type: none"> Overtime Payments Leave Status report 	R 2 50 000	R150 000	Monthly submission of over-time, leave and stand-by reports to MCM		All Departmental meetings are held on monthly bases, whereby issues are resolved the staff morale is high	Done

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	<ul style="list-style-type: none"> Stand-by payment 						
	Evidence to show that the Department/Unit has complied with the Health and Safety Policy.	R330720.36	R329394.19	Establishment of Health Unit and availability of first aid kit.	👍	Safety Representative is appointed and First Aid Kit is in place.	Done
Oversee the Training Plans of staff so that each staff member within the Municipality has an updated and active training plan	Individual training plans including career development issues and progress against plans available for inspection.	R511365-00	R482211-94	Departmental Skills Audit Report Available	👍	Annual Training Plan compiled and submitted to the LLF	Done
Ensure the provision of efficient and effective service delivery to the community so that the requirements in the IDP are met.	Targets and implementation plans aligned to the IDP are developed and approved.	R95019-00	R87100-72	Review Report	👍	Councillors received computer training, relevant policy training and workshops	Done
To ensure that the institution operates in line within appropriate legislation	Provide Administrative Support: Centralization of HR records	R330720.36	R329394.19	Audit report	👍	Logistics to be finalized. Transfer of files in progress	The procurement of a right system is still outstanding
	Provide a stable Labour Relations with Unions	R330720.36	R329394.19	Quarterly reports to MCM and Labour Forum	👍	No labour unrest experienced during the past year	Done
To improve internal skills development and capacity, positioning description and job evaluation and employment equity.	Skills development compiled and submitted to LGSETA	R571365	R482211-94	Copy available for audit.	👍	Workplace Skills Plan and Implementation Report submitted within the prescribed period	Done
	Completion of job descriptions and evaluation	R330720.36	R329394.19	Audit of Job Description	👍	Job Descriptions compiled for all positions.	Done
	Review of the Employment Equity	R330720.36	R329394.19	Approved plan	👍	Council complies with the requirements of the Employment Equity Act. Draft Plan in place	The Department of Public Safety is behind with regard to Employment Equity








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To address employee welfare in the workplace	All claims of skills levies received from SETA	R511365	R482211-94	Financial Report	👍	Skills Grant to the amount of R412866 received for compliance with Act.	Need to improve on Skill Development and increase the collection rate to 90%
	Compile a 5 year IT plan which assess the effectiveness and efficiency of current	R1224316	R1162953-50	Approved Plan	👍	Draft I T Plan in place	Plan need to be presented to council and adopted
	Develop and Implementation of Municipal Website	R1224316	R1162953-50	An operational Website	👍	Municipal Website developed and updated.	The current Municipal Website is linked to KZN Tourism and does not respond to the needs of our local municipality
	To ensure a functional Audit Committee meets at least four times.	R538897	R543216	Minutes	👍	Audit Committee appointed and meets as required	Done,
	To ensure annual departmental Audit a are conducted	R538897	R543216	Quarterly Reports	👍	Departmental Audits performed on an ongoing basis	Done
	Conduct on-going employee assistance and provide quarterly reports	R288703	R279937-52	Quarterly report and the EAP program	👍	EAP program in place and reports submitted	Done
	Provide on-going capacity training to staff, 95% percent implementation of the skills program	R330720.36	R329394.19	Skills program report submitted monthly to Training Committee	👍	Monthly Training Report submitted to the Training Committee	Done
	Pension claims finalized within 3 months	R330720.36	R329394.19	Monthly Reports to MCM and SSPC	👍	Some challenges are experienced from the Pension Fund and that causes delays.	The matter has been responded into, hence, the last few claims has been executed on time.
	Ill-health/medical boarding applications finalized within 4 months	R330720.36	R329394.19	Monthly reports to MCM and SSPC	👍	Monthly report submitted to the Support Services Portfolio Committee	Done

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Health Care	Weekly update of ordinary and Sick leave	R330720.36	R329394.19	Monthly reports to MCM.	👍	Monthly report submitted to MCM.	Done
	Opening of Staff files within 1 months after the date of appointment	R330720.36	R329394.19	Monthly Staff turn-over reports to LLF	👍	Labour Turnover Report submitted to LLF monthly.	Done
	IOD Administration to ensure compliance	R330720.36	R329394.19	Minutes of Safety meetings	👍	Safety Committees appointed and compliance monitored.	Done
	Complete and implement AIDS education plan according to National HIV/AIDS strategic Plan	R208276-16	R2085759-80	Reports submitted to SSPC and Steering Committee	👍	Monthly report to the SSPC and HIV/AIDS Steering Committee appointed.	Done
	Provisions of Primary Health Care	R208276-16	R2085759-80	Approx 2400 community members receiving primary health care	👍	A record of +2500 community members have had access into our local primary health centres	Done
	1500 clients receiving treatments of mother to child transmission	R208276-16	R2085759-80	Provide records of treatments	👍	Treatment in place and monthly reports submitted to the SSPC	The treatment of mother to child transmission

DEPARTMENT: FINANCE SERVICES

Purpose

To Develop, Implement and Maintain appropriate mechanisms to timeously respond to the changing needs for financial information, the interpretation thereof and the rendering of technical advice to the accounting officer. Financial planning and Budgeting, Financial reporting as required by the MFMA and DORA. Develop and Implement revenue generation and collection strategies. Develop finance procedure.

KEY PERFORMANCE OBJECTIVES	KEY PERFORMANCE INDICATORS	BUDGET/ INPUTS	ACTUAL EXPENDITURE	ANNUAL TARGET	RATE 1-3	ACTUAL	MEASURES TO IMPROVE PERFORMANCE
To ensure the Municipality's financial viability and recover outstanding debts	Improve Debt Collection, 1%	197657	212122	Weekly and monthly reports			Need
	Reduce Credit Control Average Debtors Days to 100 Days	197658	212122	120 Days		188 days	Need to improve in our collection drive and reduce the number of days for collection, also the provision for the bad debt and indigent is still outstanding.
	To work with Legal Dept. to provide an analysis of uncollectible debts to write-off.	197657	212122	Analysis Report		Write off list per service submitted to Legal Section	The list was submitted to the Executive Committee
	Current Accounts Raised and recovered	460980	435709	95%		96% Electricity 91% Rates 62% Refuse	To develop a consolidated accounts for customers
Accurate and timeouts billing	Rates and Accounts issued within 10 days of month end	460980	435709	Monthly reports submitted to Management		Report indicating date and number of accounts sent out by Laser technologies	To improve the delivery of accounts at outskates areas.
	Reduce month end unidentified deposits from 3.0m to 0.5m	48756	41858	Section 71, MFMA Report		Still above R4.0	The matter was reported to the new bank (ABSA)
Supply Chain Management	Establishment of a SCM Unit	39441	42211	Supply chain is centralized		4 departments centralised	Two departments are due in November 2009

	SCM database updated	39441	42211	Database is accessible in a software		Database is developed and updated annually.	To migrate to an electronic database system.
	Procurement Policy to Assist SMME's	39441	42211	A procurement Policy to address and promote SMME		The SMME policy by Department Economic Develop was work shopped with Council. The Supply Chain Management policy addresses the SMME in terms of the Functionality in bids.	The implementation of SMME Policies still need to be aligned to the Supply Chain Management Policy.
Prudent Financial management	Cash flow reported to MCM and included in monthly reporting	332257	334745	Reports made available for external inspection		Cash flow report / Monthly Budget Statement report	Reports submitted to Provincial and National Treasury.
	+80 creditors paid within -30 days	332257	334745	Creditors Analysis report made available for external inspection		24 Days	The payment of creditors has been
	Nil over-expenditure on the Finance Vote	26814	57871	0% over expenditure was reported		Monthly Budget Statement report/ Expenditure by vote report	The adjustment budget is considered to deal with under-expenditure and over-expenditure in votes
Sustainability Management	Personnel cost to total operating income	565662	546915	Monthly Financial Report		The ratio is at 1:3	Good
	Repairs and Maintenance to annual operating revenue.	565662	546915	Monthly Financial Report		The ratio is at 1:40	Good
	Reduction in Insurance Claims	332257	334745	Reduce insurance claims by 2%		There has been an increase in the number of motor and asset claims.	There is a need to reduce motor vehicles accident
Comply with Financial Legislation	Monthly Budget to the Mayor within 10 days	26814	57871	Email/PAP Agenda		Monthly Budget Statement reports are submitted to Exco as per legislation	Done
	100% National Treasurer Reports submitted within Time-Frames	26814	57871	National Treasury Feedback and advice		90% of reports are submitted	Need to improve our reporting to National Treasury

Provide an efficient, sound, economically viable and sustainable financial support service	100% Implementation of MFMA implementation Plan	26814	57871	Steering Committee Agenda		96% Progress	To identify gaps and find solution, thus including appointment of qualified staff.
	Establishment of an Oversight Committee and Financial Performance Report	48756	41858	Oversight Committee Report		Oversight Committee Established and oversight report completed	Done
	Statements to AG by 30 August	48756	41858	Audit Report		Annual financial Statements submitted to the AG office	Done
	All costing from all Departments all processed by the twelve month	48756	41858	Monthly Reports/ section. 71		Expenditure report in Monthly Budget Statement	Done
	Reduction of 80% unresolved Finance related queries in Audit Letter (15)	48756	41858	Oversight Reports		Oversight report/ Audit report has outline a program to address all audit queries raised by the AG	Done
	30% sub-system reconciliation's signed off and suspense accounts cleared within 10 days month	48756	41858	Monthly Reconciliation		Monthly reconciliations reports are submitted to PAPC	Done
Safe Guard Council's Assets	Asset Register is accurate, up to date, complete and compliant	134349	175080	Asset Management Plan		Asset Register has been developed and a close-out report submitted to EXCO	Done
	One auction for Disposal of obsolete assets	134349	175080	Sale Record		Sale record / No sale in 2008/2009	There is a need to find an alternative in order to expedite the sale of land. Done
Provide an efficient, sound, economically viable and sustainable financial support service	5-year financial plan developed and approved by Council.	26814	57871	Document approved by Council		100%	
	Credit rating to be improved	565662	546915	Credit assessment Report		Credit Rating - No new rating obtained	N/A
	Current ratio-current assets/current liabilities > 1.6 (ability to meet short term commitment)	565662	546915	Monthly Report		1:01	Within the target

Unqualified Audit Report	565662	546915	2007/2008 Audit Report	👍	Unqualified report	Unqualified Report Achieved with matters.
No overdraft during the year	565662	546915	0% Overdraft	👍	0% Overdraft	Done
Budgeting Compliance Check list	565662	546915	Budget Evaluation Checklist Report	👍	Budget Evaluation Checklist submitted to National Treasury annually	Done

DEPARTMENT: ENGINEERING SERVICES

POSITION PURPOSE:

Providing sustainable, reliable and affordable infrastructure services, maintaining and upgrading the roads in to an acceptable level of service and to implement civil engineering projects, managing project management section, managing the implementation of capital projects within the department.

KEY PERFORMANCE OBJECTIVES	KEY PERFORMANCE INDICATORS	INPUTS/ BUDGET	OUTPUT/ ACTUAL BUDGET	ANNUAL TARGET	RATE 1-3	ACTUALS	MEASURES TO IMPROVE PERFORMANCE
To improve and maintain the existing road network and provide accessibility for all	Sealing program, 15 Km	R4 000 000	R4 000 000	15KM	👍	6.3 Km	The figure audited by internal audit, the department has recently appointed senior managers.
To improve and maintain rural roads	5000 square meters potholes repaired	R1,7 000 000	R1,7 000 000	5000 M ²	👍	1337m ² of potholes patched 1955 and 711.1 m ² re-instatements.	Same as above
	Grading and Maintaining Gravel Roads, 40 Km road graded	R2 000 000	R2 000 000	40KM	👍	34.68 Km graded	Same as above
Maintain and expand existing storm water system	Maintain 15 Km cut-off drains, repairing +- 100 catchpits, repairs 3000m ² sidewalks, repairs 500m new kerbing, repair 300m	R5,7 000 000	R5,7 000 000	Measured against the Budget	👍	16 catch pits repaired, 3046.3m, storm repaired, 43m new storm	Done, still a backlogs exist in the residential areas reported now and again.

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	storm water channel, Repair 3 low water crossings					water, water pipes crossing repaired.	
To implement Municipal Grant Funding	100% Implementation of Grant funding	R1, 480 594	R1, 480 594	100% expenditure reported against projects		100% achieved	Done, problems experienced only relate to release of funds by National Government.
To prepare Business Plan and source grant funding	To submit 10 business plans and source grant funding per annum	0	0	Approval of Business Plan by the MM		Business Plans submitted.	Done
To ensure that all buildings constructed, comply with relevant legislation	100% adherence to National Building Regulations and other relevant bylaws/legislation	R1, 003 985	R1003 985	Dept. Records available for audit.		Notice books, correspondence, registers of plans, occupation certificates and stats recorded.	A need to employ additional staff in order to increase compliance and law enforcement
To comply with Part D of the Operational Manual of Qedusizi Dam	Clearing of river from Qedusizi Dam to Ladysmith Cemetery	R 325 532	R325 532	Work-logs and survey report		Reports, surveys and minutes of meetings. Payment records for labour and outsourced services.	Done
	Construction of Community Hall Emahukwini – Phase 2	0	0	60%		05%	Contractor commenced three (3) months after award, due to cash flow constraints.
	Completion of Taxi Rank - Steadville	R650 000	R650 000	60% Baseline		100%	The progress to complete project has been very slow.
	Construction of Taxi Rank : PEACE TOWN	0	0	40%		0%	Area identified. EIA in progress. PMU Report.
	Construction of Pedestrian Bridge: LINKING STEADVILLE AND NDOMBA	R4, 774 000	R4, 774 000	100%		100%	Project completed. PMU Report.





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	Construction of Pedestrian Bridge: EZAKHENI TO ESIDAKENI	R27,576	R27,576	40%	👍	80%	Project on track. PMU Report
	Construction of pedestrian bridge: UMBULWANE TO INDUSTRIAL AREA	R44,243	R44,243	25%	👎	25%	Construction budget inadequate. PMU Report.
	Construction of Watershed Bridges : DRIEFONTEIN	R317 291.21	R317 291.21	100%	👍	100%	Project completed. Numerous challenges encountered with the Contractor. PMU Report.
	Construction of vehicular bridge: ACROSS MBABABANTU	0	0	100%	👎	0% progress	no Phase I 100% completed and Phase II to commence. Budgetary constraints prohibit movement in this regard. PMU Report
	Pedestrian Bridge : BURFORD AREA	R27,576	R27,576	70%	👍	70%	Project on track. PMU Report
	Low Water crossings: rural wards	R3 482 798	R3 482 798	90%	👍	90%	Challenges encountered with Labour Only Contractors. PMU Report.
	Construction of Surfaced Roads in Ezakheni	R10 000 000	R6,500 000	90%	👉	70%	Contractor behind schedule. Numerous challenges regarding unknown services. PMU Report.
	Construction of 12 Pension Pay Points in Rural Wards	R1 000 000	R1 000 000	100%	👉	100%	Projected completed In-house / materials finally delivered by Dal's Engineering.
	Construction of 30 High Mast Lights	R3 000 000	R2,742 000	40%	👍	100%	Due to increase in steel prices (100%), half the number of High Masts were installed.
	Pedestrian Bridge Matondwane to Watersmeet	0	0	90%	👎	100%	Numerous challenges encountered with the Contractor and Sub Contractor. 100% complete. PMU Report.









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	Reduced Rural Grid Losses	R11 000 000	R11 800 000	95KM	5	90%	Project Complete








DEPARTMENT: ELECTRICITY

Position Purpose

The purpose of the Head of the Electricity Department is to ensure that the unit fulfils its purpose which is to supply energy to residents and businesses in the form of electricity within the area of supply, while maintaining sound business principles, and to provide public lighting to enable residents, businesses and the community at large to engage in social and economic activities resulting in satisfied social and economic needs and a safer environment.

KEY PERFORMANCE AREAS	KEY PERFORMANCE INDICATORS	BUDGET/ INPUTS	ACTUAL EXPENDITURE	ANNUAL TARGET	RATE 1-3	ACTUALS	MEASURES TO IMPROVE PERFORMANCE
Reduce electricity service backlogs by improving existing network to meet current and future needs	Review All Electricity By-Laws	0	0	Report		0%	Both the legal team and the electricity department s are dealing with the matter.
	Prepare for REDS implementation by providing status reports on requirements and implementation	0	0	Provide Reports to be submitted to council		All reports have been submitted to Management	Attend the RED workgroup meetings and report to MCM, EXCO and Council
To provide Free Basic Electricity to all indigent customers (50 kwh)	All indigent households have access to 50 kwh/month Free Basic Electricity	R2,241,120	R1,208,926	90%		85%	The number of households receiving free indigent from Eskom has been a problem especially at Ezakheni and Rural Areas.
To introduce Batho Pele Standards of Customer Service	Implement customer management system which records customer complaints: reduce	R4,009,582	R2,118,004	100%		100%. Reports and job cards generated for the respective sections.	All calls recorded on the management system and customers are







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	complaints by 5%						provided with reference numbers
	Building Plans and Designs attended to within 2 days	0	0	100%		100%	Done
To provide value for money on expenditure	To investigate Demand Side Management Solutions to optimise purchases of electricity.	90%	Nil	Council Minutes and a copy of the report		97%	Purchases within budget
Reduce electricity service backlogs by connection new consumers within the prescribed times.	All electricity applications connected within 5 working days of request.	R830,661	R808,181	100%		98% Average	Some of the delays are caused by Finance Department.
To maintain and keep existing infrastructure in a safe and good working conditions	Power outages and consumer complaints in compliance with NRS 047 and 048 service quality standards	R4,160,572	R5,392,380	90%		95%	Done
To grow revenue and provide value for money expenditure	90% Meters Read Monthly	Budget amount included in (R4 009 5820)	R 521 076	100%		74%	Introduction of cell phone readings; procedures in place to ensure efficient meter reading
	1 day average response time to reconnect/disconnect required recorded at help desk	R1,326,024	R1,336,205	100%		100%	Management System in place; Reports submitted to the credit control meetings weekly
	Loss Control Management: Non-technical losses calculated and reduced to 10%	0	0	10%		10%	Busy with meter sweeps - reduce losses
Reduce electricity service backlogs by improving existing network to meet current and future needs	Ntombi's Camp, Reticulation complete and ready for house service connections 159 lots.	R636,000	Exceeded funding from DME	100%		100%	MV and LV infrastructure complete. Service connections done upon applications from consumers









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	Themablinhle in-fills Houses _ 42	Nil	Nil	50%		0%	Awaiting funding from DME
	20-Lots next to Community Gardens	Nil	Nil	50%		0%	Awaiting funding from DME
	Bulk Infrastructure-MV Backbone Umbulwane C	R1,370,000	R 863,559.00	Project Hand over Beneficiaries		90% complete	Done
	Umbulwane ABC-248	Nil	Nil	50%		0%	Awaiting funding from DME
	AREA D-50	Nil	Nil	50%		0%	Awaiting funding from DME
	Street Lights all wards: Repairs of Street Lights	R1,524,646	R1,452,515	Report Submitted on monthly maintenance		Areas are patrolled weekly and repairs are done	The problematic areas are situated at Ezakheni, which is under Eskom.
	Construction of High Mast Lights	Budget located in Engineering Department		50 High Light Mast		100%	Installed 30 High Masts in the various wards











DEPARTMENT: GOVERNANCE AND TRANSFORMATION






Position Purpose

The Manager: Governance and Administration is required to lead and direct the Department of Governance and Administration, account to the Municipal Manager and work towards the fulfilment of the objectives of local government as described in the Constitution of the Republic of South Africa and other pertinent legislation such as the Structures Act, Systems Act and Municipal Finance Management Act, and in accordance with the policy framework of the Council.

KEY PERFORMANCE OBJECTIVE	KEY PERFORMANCE INDICATORS	BUDGET/ INPUTS	ACTUAL EXPENDITURE	ANNUAL TARGET	RATE: 1-3	ACTUALS	MEASURES TO IMPROVE PERFORMANCE	
Provide efficient, effective and up to date business support to the Organization	Administration/Records Management	Waiting for the approval of Grant Funding from Provincial Treasury.	Nil	100%		10%	Submitted a Business Plan to Provincial Treasury to source Grant Funding.	
		Client department now bring their own printing material for the printing	Nil	100%		100%	Less complaints from client departments about delays in finalising their orders	
		The Policy was presented to Council on the 24 th July 2008 for approval.	Nil	100%		100%	Resolution: LC4/5/2008 is for the adoption of Communications Policy.	
	<u>LEGAL SECTION</u>	All request for legal comments complete in an average of 30 days.	Nil	R 321 546,73	100%		100%	Copies of legal documents vetted, amended, reviewed.
	To ensure that the institution operates in line with appropriate legislation	Drafting of legal documents within 10 days	Nil	Nil	100%		90% based on estimate	Delays at times are caused by client department availability to discuss such documents
	Debt collection	Salary Budget	Salary Budget	R6000 000		R6300 000	Achievement above target.	

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	Disciplinarians	Nil	Nil	100%		-+ 50%	The delay in most cases is caused by the unavailability of the defended and the unions. Reports are submitted to Management on an on-going bases.
VALUATION							
Supplementary Valuation rolls: To maintain an updated valuation roll for rating purposes.	Completion of valuations for compiling of supplementary valuation rolls.	1 231 000,00 1 400 000,00	1 231 000,00 1 400 000,00	Completion end of December 2008 and March 2009		100% Evidence: Supplementary valuation rolls.	Done
VALUATION APPEALS AND INTEGRATION OF DATA							
To ensure that appeals are finalised,	Completion of valuations appeals.	548 000,00	Nil	50%		0%	Appointment of appeals board by MEC not finalised.
To ensure that data on valuation system and financial data are similar.	Valuation Roll linked up to SAMRAS and all data similar.	200 000,00	200 000,00	100%		100% Exception reports	Done
COMMUNITY SERVICES							
To ensure that halls are available to the public and others	To ensure that halls are available to the public and others	0	0	All wards		All halls are available to halls.	Done
To ensure that halls are available to the public and others	08 Programs on educational/cultural outreach programs	0	0	2 Quarterly Progress Report		08 Programs completed	Done
	16 Awareness/Education Programs	0	0	100%		100%	Done
	08 Tourism Promotions undertaken (4 Local Promotions and 04 Outside the Municipality)	0	0	100%		100%	Done

KEY PERFORMANCE OBJECTIVE <u>REAL ESTATE AND HOUSING</u>	KEY PERFORMANCE INDICATORS	BUDGET/ INPUTS	ACTUAL EXPENDITURE	ANNUAL TARGET	RATE: 1-3	ACTUALS	MEASURES TO IMPROVE PERFORMANCE
Human Settlement Plan	Housing development Plan in Place	R100 000.00	R100 000.00	100%		100%	Done
Disposal of Land	200 properties advertised for sale	R15 141 230.00	R1 237 240.00	80 properties advertised.		11 properties sold	The sale of land has been very slow due to global financial crisis.
Housing projects	600 houses completed and handed over to targeted recipients	R24 000 000.00	R38 000 000.00				Progress in low-cost income housing projects is very slow.
Upgrading of Hostels	Inkanyezi Hostel conversion into family units	R1 300 000.00	R1 100 000.00	80% complete		80%	Units has not been allocated to beneficiaries.
Disposal of Staff Houses	Transfer of all Staff Houses Finalized	R2 250 000.00	R2 250 000.00	90% complete		Very slow progress	The matter be referred to the housing unit to speed up the progress and conclude.
Encumbrances on old housing stock	Processing of documents for the release of transfer documents	R15 000.00	R15 000.00	90%		+ - 40%	On request by the owner.
Process transfer documents	240 transfer documents processed	R15 000.00	R15 000.00	90%		70%	Progress on title deeds below impressive, attorneys have requested an additional funding.
Emergency housing	610 families to be assisted with housing	R25 000 000.00	Provincial housing payment	70% of project complete		Progress very poor	A task team has been set up to assist our local housing unit in order to address backlogs.
Consumer education	200 members of the community trained on low income housing	R20 000.00	R20 000.00	80% attendance		90% achieved in all affected wards	More education, awareness programs are still needed by the community.
Affordable housing	Advertisement for banking institutions to undertake housing programmes	R14 000	R14 000.00	50%		05%	A tender has been advertised with no show of interests on the matter by the banking institution, the tender shall be re-advertised.






KEY PERFORMANCE OBJECTIVE	KEY PERFORMANCE INDICATORS	BUDGET/ INPUTS	ACTUAL EXPENDITURE	ANNUAL TARGET	RATE: 1-3	ACTUALS	MEASURES TO IMPROVE PERFORMANCE
Community meetings	25 meetings to be held	R37 500	R37 500 .00	IDP Requirement- 15 meetings done		25% were called for the IDP consultation process	Done
Social and economic amenities	Oversee the project and manage the property: Roosbom and St.Chads wards	R15 000.00	R15 000.00	85%		95%	Projects awaiting project hand over.
Thusong service centres	Manage the Thusong centres	R160 000.00	R160 000.00	100%		100%	The management of Thusong Centres are managed by the Municipality.
Property bulk transfers	835 council homes to be transferred	R271 000.00	R211 000.00	835		642 done	Done
Enhanced extended discount benefit scheme	700 council homes to be transferred through the programme	R303 000.00	R10 000.00	60%		28% complete	Progress moving very slow.

DEPARTMENT: PUBLIC SAFETY

Position Purpose

Municipal Traffic Control, Security, Disaster Management, investigate and report on accidents of council owned vehicles, conduct traffic survey, lead and supervise department, local transport plan, local fire services, enforcement of by-laws, compliance of local testing stations, manage licensing services, road safety education, awareness and strategies, traffic signs and road marking. Liaise with the SAPS to ensure public safety.

KEY PERFORMANCE OBJECTIVES	KEY PERFORMANCE INDICATORS	BUDGET/ INPUTS	ACTUAL EXPENDITURE	ANNUAL TARGET	RATE: 1-3	ACTUALS	MEASURES TO IMPROVE PERFORMANCE
Strengthen policing services and encouraging visible policing	13080 Traffic violation issued			13080	👍	2547 traffic Violation	Due to the shortage of traffic staff in the Department
	Minimize traffic accidents to 1400 p.a	R5233856	R5212508	1400 p/a	👍	454 traffic	Same as above
Improve road safety	Total number of traffic education awareness workshops			12 awareness workshops	👍	More than 12 Done	Done
	Road signs replaced			200 signs	👍	45 signs replaced	Due to a demand
	Road markings	5233856	5212508	180 km	👍	34.75 road marking	On the bases of a budget
Reduction of traffic offences	Traffic fines paid to total tickets issued			45%	👍	32.6%	32.6%
Reduce the risks of fire	Preventative initiatives undertaken by fire services	R3191020	R3487609	800	👍	100% achieved	Done
Limit loss of life and property	Average response time to fire call out			10 min	👍	100% occurrence book	Done
Promote Compliance with Road Traffic Act	Driving tests administered	R1287465	R1268433	4140 Traffic Records/Income Section	👍	9664 Driving tests conducted	Done
	Vehicle registrations processed			2800 Traffic Record-s	👍	+100% achieved	Done






KEY PERFORMANCE OBJECTIVES	KEY PERFORMANCE INDICATORS	BUDGET/ INPUTS	ACTUAL EXPENDITURE	ANNUAL TARGET	RATE: 1-3	ACTUALS	MEASURES TO IMPROVE PERFORMANCE
Prevent Disaster and mitigate effects	Revenue generated (as service costs of vehicle licensing section function)	4667426	5206287	R3.5 Million		R5510338 achieved above target	Done
	Disaster Plan developed, updated and implementation reported	3096598	5206287	Quarterly Implementation reports submitted		100% achieved	Done
Fleet Management	Light Vehicles-turnaround			3 Weeks		91.7% achieved	Done with some challenges concerning to spares
	Heavy Vehicles-turnaround	R655358	656876	6 Weeks		93.75% achieved	Done with some challenges concerning to spares
	Heavy Plant-Turn around			3 Months		97.5% achieved	Done with some challenges concerning to spares

DEPARTMENT: ECONOMIC DEVELOPMENT



Position Purpose








Develop an Economic Model of the Emnambithi/Ladysmith Municipality. Perform trend analysis the Provincial the Provincial economic database in the municipality. Provide quantitative and qualitative information on the state and development of the economy in the area. Identify the needs of small enterprise in the area and develop a plan to address those needs effectively and efficiently. Develop collaborative plans with leading private companies to grow an sustain the area's economy. Liaise with stakeholders including the local with respect to the LED matters.

KEY PERFORMANCE OBJECTIVES	KEY PERFORMANCE INDICATORS	BUDGET/ INPUTS	ACTUAL EXPENDITURE	ANNUAL TARGET	RATE: 1-3	ACTUALS	MEASURES TO IMPROVE PERFORMANCE
To promote job creation and local economic development largely based on agricultural industry, SMME development and tourism.	200 jobs created	Administration	Administration	200 jobs created	👍	±200 informal jobs have been created through projects development, where communities establish projects to eradicate poverty.	Achieved though the jobs have not been sustainable.
	Agricultural Development: 60 projects implemented and existing plans reviewed : Establishment of 20 community gardens	R 100 000.00	R 30 865.90	Projects plans and reports	👍	The number of harvest has increased and the planted community garden has increased	Demand for assistance in community Gardens far exceeds the capacity to meet the demand.
	Establishment of 10 Poultry Projects	R 50 000.00	R 27 344- 86	10 Projects	👍	+10 Projects	Projects existence and growth of potential as they are carrying with broiler production with no financial assistance from Council
	Establishment of ten (10) Mushroom Production Projects	R 100 000.00	R 86 673.20	Construction of ten (10) wendy-houses for the project	👎	10 constructed	Four constructed wendy houses and two (2) trainings conducted with two (2) groups of project beneficiaries.

KEY PERFORMANCE OBJECTIVES	KEY PERFORMANCE INDICATORS	BUDGET/ INPUTS	ACTUAL EXPENDITURE	ANNUAL TARGET	RATE: 1-3	ACTUALS	MEASURES TO IMPROVE PERFORMANCE
To promote Local Economic Development and creation largely based on Agriculture, SMME development and Tourism	Industrial I Development: Incentive Scheme Policy Implemented	R500 000	100%	Implementation Plan		0%	Advertised for businesses to submit applications for existing businesses which expanded or new businesses which established. Received 5 applications. Application forms incomplete. Awaiting required info and will then evaluate.
	Complete visit and report on 20 factories for business retention & expansion program.	Administration	Administration	20 Factory Visit undertaken		20 Businesses visited. Various municipal departments are attending to the concerns raised during the BR & E visits.	Done
	Establishment of 15 ha of pecan nuts land	Grant funding	Grant funding	1200 trees planted at fifteen (15) ha		0%	Fencing installed and irrigation in progress and the land is tilled.
	Poverty Alleviation: Equitable share used for free basic services in 5000 households	R1100 000	R188 000	500 0 HOUSEHOLDS		7200 HOUSEHOLDS WERE ALLOCATED WITH STOVES AND LAMOS	Project done
	To ensure that 60 SMME and cooperatives are given training on Municipal Procurement Processes	R 40 000.00	R 35 000.00	60 SMME and Cooperatives		50 Local SMME's received Basic Business Management training. 68 SMME's and cooperatives received training on Municipal Procurement Processes. Six (6) Road Shows (information distribution) took place in different areas around Ladysmith. Fifteen (15)	Done

KEY PERFORMANCE OBJECTIVES	KEY PERFORMANCE INDICATORS	BUDGET/ INPUTS	ACTUAL EXPENDITURE	ANNUAL TARGET	RATE: 1-3	ACTUALS	MEASURES TO IMPROVE PERFORMANCE
To ensure the provision of a healthy and clean environment in all areas of economic activity per national requirements and standards.	LED, Tourism, Agricultural development strategy is implemented.	Administration	Various grant funding	Implementation Plan	👍	cooperatives has been formally registered with CIPRO with Council's assistance. 100% done	The Economic Development and the Agricultural Strategy is in place. Various projects/interventions during the compilation of some are being implemented.
	Refuse Removal: 34 000 House receive Service	R2300 000	R2300 000	90%	👍	100%	All urban and township households were collected A grant of R500 000 from DoT for collection in Rural Areas was received
	25 Education and Campaigns conducted on Waste Management	Nil	Nil	+25 Campaign	👍	+25 campaign	Cleaning campaigns were conducted in conjunction with schools, churches and Correctional Services
	Vehicles purchased	R3 149 998.00	R3 149 998.00	100%	👍	100%	2 x Mitsubishu Trucks @ R1 200 000 mil each Holland TLB @ R450 000 Tipper Truck @ R299 998 2 LDV's (R300 000)
	Prevent illegal Dumping and increase prosecution by at least 40 prosecution	Salary Budget	Salary Budget	40 prosecution	👍	0%	Intensify the campaign and place more visible policing.





KEY PERFORMANCE OBJECTIVES	KEY PERFORMANCE INDICATORS	BUDGET/ INPUTS	ACTUAL EXPENDITURE	ANNUAL TARGET	RATE: 1-3	ACTUALS	MEASURES TO IMPROVE PERFORMANCE
To ensure the beautification of the environment and promotion of recreational amenities	To develop and implement operational plans to maintain municipal gardens /Sports Fields and open spaces.	R612 000. 00	R612 000.00	Kandahar, Settlers Park, Agra fencing, Accaciaville and rural areas.		Irrigation Kandahar. (R58 000) Settlers Park fenced. R180 000) Agra fencing (R119 000) Ezakheni parks fenced (R120 000) Acaciavale change rooms, sport grounds graded. (R135 000) Goal posts manufactured & distributed. (R120 000) 60 Sportsground graded (R300 000) Roosboom kids are trained 1 Drowning. Minor repairs were done Plumbing repairs done. Riddle Park levelled. (R60 000) Kommando Park cleared. (R80 000) Steadville Park fenced R60 000). Modelkloof & Shepstone Bridge park grassed (R130 000) – Irrigation installed. Modelkloof (R67 000) & Shepsone Bridge (R 40 0000	The standard of fence and irrigation system has been identified as a concern which needs to be attended into by the department in consultation in with the service provider.
	Management of Swimming Pools: 2 Safety and Awareness Campaign	R90 000:00	R90 000.00	100%		95%	One child was reported to have drown in the pool, the Municipality has advertised for qualified and competent staff to be recruited in the pool

KEY PERFORMANCE OBJECTIVES	KEY PERFORMANCE INDICATORS	BUDGET/ INPUTS	ACTUAL EXPENDITURE	ANNUAL TARGET	RATE: 1-3	ACTUALS	MEASURES TO IMPROVE PERFORMANCE
	Vehicles purchased	R1 313 998.00	R1 313 998.00	100%		Tipper Truck(R299 998) 2 LDV (R300 000) 2 x 4 tons trucks (57 000) 2 Tractor mowers (R120 000) 15 Brushcutters (45 000) 2 Tractor mowers (R600 000)	
Promote Public Participation in the Municipal Affairs: Chapter 4 Municipal Systems Act.	Wards Committee Support, ensure maximum attendance of community members during Municipal Gatherings	R412000	R151 000	One ward committee meeting every second month		100%	IDP meetings in all wards. Budget meetings in all wards. 4 General meetings for ward committees. Bi-monthly ordinary meetings. CDW reports & plans. Council meetings announced. Inspections conducted. Notices were served.
To ensure development and control through the enforcement of the Town Planning Scheme and ordinance	Strategy of reducing illegal users	0	0	Development of a Strategy document		0%	
	Compliance with Town Planning Ordinance: Review Town Planning Scheme	R150 000	R150 00.00	Town Planning Scheme reviewed		The Town Planning Scheme map has been reviewed	Town Planning scheme map reviewed. Town Planner sent to university on a full time Ezakheni TP scheme map
	Enforcement of Advertised By-Laws: Execution of illegally Advert. Signs	0	0	100% removal of all illegal adverts		80% removal on estimate illegal adverts	Fees were collected for advert. Illegal adverts were removed.
	Policies and Guideline Framework (Special Consent, Home Based Bus. Units)	0	0	80%		70% progress has been made with Ezakheni regeneration	Ezakheni Regeneration Strategy
Annual Review of the Integrated Development Plan	IDP Process Plan	R189 756.00	R100 000.00	Plan Developed		100% complied	Approved by Council Advert was placed calling for public comments. Process Plan submitted on time to the MEC









KEY PERFORMANCE OBJECTIVES	KEY PERFORMANCE INDICATORS	BUDGET/ INPUTS	ACTUAL EXPENDITURE	ANNUAL TARGET	RATE: 1-3	ACTUALS	MEASURES TO IMPROVE PERFORMANCE
	All ward committees and Business Chambers and other stakeholders invited to participate	0	0	At one meeting every second months	👍	100%	Photocopy machine, loud hailing equipment & sound system, Digital camera, 2 lap tops, Laminating machine Ward commit meetings was held Section Department attended except DET Religious Body meetings Business Chamber meetings
Land Use Management	Refinement of the Town Planning Scheme	R200 000	R143 583.00	Ezakheni Town planning scheme approved	👍	90%	Ladysmith Scheme map Ezakheni scheme map (R143 583)
	Special Consent	0	0	Records of Approval of Special Consent at least 20	👍	43 special consents were approved	Special consent approved
	Scheme Amendments	0	0	At least prosecute 8 contraveners	👉	6 rezoning application approved	SDF reviewed Ward profile compiled Notices were served Rezoning approved Appeal won at Prov. Appeals Commission.
	Contravention of Town Planning Scheme	0	0	90% elimination	👉	Progress ver slow	Lack of capacity in the section to carry out inspections
To refine the SDF	To annually review the Spatial Development Framework	R199 500.00	R199 500.00	SDF reviewed	👍	Achieved	Document on the Refine Special Development Framework
Cemetery Plan	Development of Cemetery Plan	R199 888.00	R199 888.00	Plan Approved by Council	👉	Draft plan has been submitted to council.	Council still to approve the plan. Land identified not owned by Council Negotiations still pending with owners









Service Providers Progress Report during the Period 01 July 2008 to 30 June 2009:

RATE:



- 1=  - Meets or exceeds target
- 2 =  - Progress not satisfactory (?)
- 2=  - Currently does not meet target
- 3=  - Information not available or work on hold

1. Housing


Project Name	Developer	Project approval date	Project implementation date	Project End Date	Subsidy Approved	Constructed To Date	Constructed from 01/07/08 to 30/06/2009	Rate
B & C Tin Houses	Ntokozweni	23/12/01	Feb 2003	July 09	1000	649	133 65%	
Ezakheni C 624	Kantey and Templer	23/12/01	12/05/04	Nov 08	624 + 40 additional	612 comp 30 comp of the 76 Add. units		
Ezakheni C 524	Ntokozweni	13/09/01	Dependant on DoH approval to relocate subsidies	221	221	221	Nil	
Limit Hill	Ikhwezi	May 01	04/06/05	Sept 08	34	34	Houses completed	
St. Chads Urban	Ntokozweni	Oct 03	Jan 04	Dec 2010	2500	1732	612 69%	
St. Chads Rural	Ntokozweni	Oct 03	Jan 04	June 2010	544	459	64 84%	
Steadville J	MR Builders	Oct 2001	April 01	Feb 09	965	965	82 100%	
Colenso 500	SBP Project Managers	Oct 97	Sept 1998	July 07	500	499	1 100%	

Ntombi's Camp	CSM Consulting Services	Sept 97	April 2004	Dec 09	509	508	Nil	
Steadville Area E	Sivest Hemmingway	Nov 04	March 2005	July 08	175	40	40 22%	
Umbulwane Phase 1&2	Ikhwezi	Jan 97	April 2005	July 08	175	33	Nil	
Nkanyezi Hostel	Council	23/12/01	Dec 04	Sept 08	39	39	Repairs Ongoing	
Steadville Hostel	Council	Aug 04		July 09	96	Nil	96	
Roosboom	Ntokozweni	July 03	Jan 04	Dec 08	200	200	Nil	
Steadville Area H	Sarkum Housing	Sept 07		July 2013				
Diamana Flats	Council	23/10/03	April 04	Nov 09	32	32	Nil	


2. Legal Section

Project Description	Service Provider	Contract commencement date	Contract End Date	Contract Budget	Budget Status %	Contract Service Status %	Rate
Legal Opinions & Vacant Land	S&W	01-07-2006	30-06-2009	NIL	R321 546, 73 & R1 806 727,23	90%	
Ownership verification	Deeds office	01-12- 2007	Ongoing	-	-	100%	



3. IT and Corporate Services

Project Description	Service Provider	Contract commencement date	Contract End Date	Contract Budget	Budget Status %	Contract Service Status %	Rate
SAMRAS	Bytes Systems Integration	01-07-1999	Indefinite	1,300,877	70%	Indefinite	
Cell Phones and Laptops	Vodacom	New Contract					

4. Public Safety

Project Description	Service Provider	Contract commencement date	Contract End Date	Contract Budget	Budget Status %	Contract Service Status %	Rate
Security Services	Leopard Security	01/07/2008	31/06/2009			New tenders in process	
Provincial Licensing agreement	Motor vehicle and License Registration	01/04/2006	31/03/2009			New Contracted signed at end of August 2009	
Surveillance Services	I to I Technology	17 th March 2006	60 Month contract	R 46 801.28 PM		Unsatisfactory Service New tenders in process	
Parking Meters	Diversified Parking Systems Parking (DPSS)	27/02/2002	27/02/2007			New tenders in process	

5. Electrical Engineering





















Project Description	Service Provider	Contract commencement date	Contract End Date	Contract Budget	Budget Status %	Contract Service Status %	Rate
DISTRIBUTION OF ELECTRICITY	ESKOM	2006	On-going	R68 451 799	97.24%	On-going	
FREE BASIC ELECTRICITY	ESKOM	01/07/2006	30/06/2009	R2 241 120	44%	Renewed every three years	


6. Finance

Project Description	Service Provider	Contract commencement date	Contract End Date	Contract Budget	Contract Service Status %	Rate
INSURANCE	GLENRAND	01/07/2006	30/06/2009	R1867475	100%	
BANKING SERVICES	ABSA BANK	01/07/2008	30/06/2013	R213 295	100%	
POST SERVICES	POST OFFICE	01/05/2008	ON-GOING	R1 280 963	100%	
EASY PAY & PAY A BILL	EASY PAY	01/12/2006	ON-GOING	R356 276	100%	

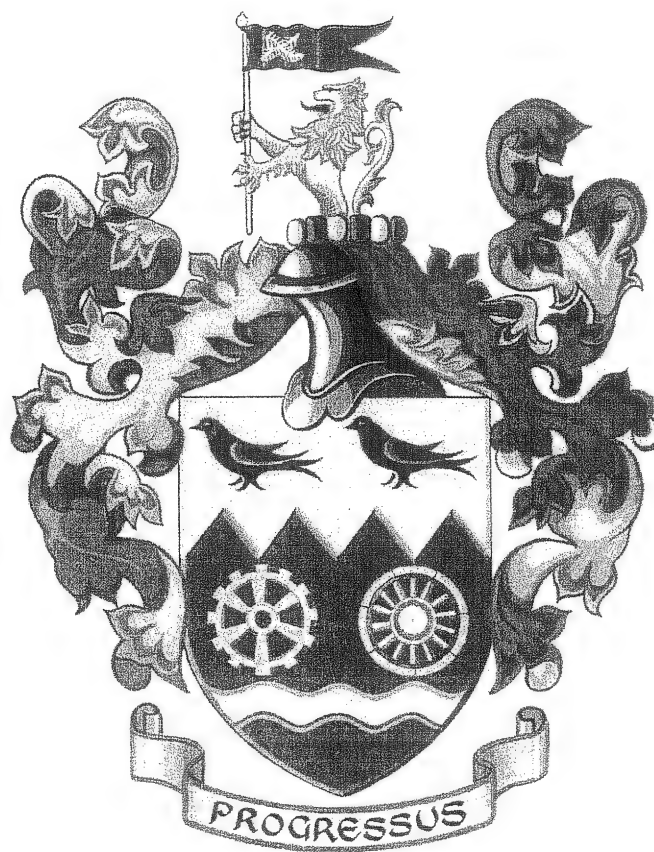
7. Engineering Services

Project Description	Service Provider	Contract commencement date	Contract End Date	Contract Budget	Budget Status %	Contract Service Status %	Rate
VEHICULAR BRIDGE STEADVILLE TO NDOMBA CEMETRY	INGONYAMA NICON	20 MAY 2008	30 APRIL 2009	R4,774,000.00	90%	100%	
VEHICULAR BRIDGE STEADVILLE TO NDOMBA CEMETRY	LEKWA CONSULTING ENGINEERS	31 MAY 2007	30 APRIL 2009	R4,774,000.00	90%	100%	
CONSTRUCTION OF EZAKHENI SURFACED ROADS AND STORMWATER	SIRKKISSOON CONSTRUCTION T/A A.S. CIVILS	27 JANUARY 2009	30 JUNE 2009	R8,502,120.00	75%	75%	
CONSTRUCTION OF EMAHHUKWINI COMMUNITY HALL	BEE & TEE CONSTRUCTION	29 APRIL 2009	26 OCTOBER 2009	R1,313,000	40%	52%	
CONSTRUCTION OF LOW WATER CROSSINGS	KHUMALO CONSTRUCTION	05 MAY 2009	30 AUGUST 2009	R 170,000.00	0%	11%	
PEDESTRIAN BRIDGE EZAKHENI TO ESIDAKENI	PD NAIDOO & ASSOCIATES	25 JULY 2008	30 JUNE 2010	R2,700,000.00	10%	10%	
PEDESTRIAN BRIDGE WATERSMEET TO BURFORD	PD NAIDOO & ASSOCIATES	25 JULY 2008	30 JUNE 2010	R2,200,000.00	10%	10%	

VEHICULAR BRIDGE HOPSLAND TO PEACETOWN	PD NAIDOO & ASSOCIATES	01 MARCH 2009	30 JUNE 2011	R 12,000,000.00	0%	0%	
PEACETOWN TAXI RANK	PD NAIDOO & ASSOCIATES	25 JULY 2008	30 JUNE 2010	R2,400,000.00	10%	10%	
EZAKHENI SURFACED ROADS AND STORMWATER	ARCUS GIBB	01 MARCH 2009	30 JUNE 2013	R50,000,000.00	0%	%	
VEHICULAR BRIDGE BALDASKRAAL TO LUCITANIA	ARCUS GIBB	01 MARCH 2009	30 JUNE 2013	R3,000,000.00	0%	0%	
EZAKHENI SPORTS COMPLEX	ARCUS GIBB	01 MARCH 2009	30 JUNE 2012	R20,000,000.00	0%	0%	
CONSTRUCTION OF TESTING FACILITY	ARCUS GIBB	01 MARCH 2009	30 JUNE 2010	R2,500,000.00	0%	0%	
EXTENSION OF LISTER CLEARANCE BUILDING	ARCUS GIBB	01 MARCH 2009	30 JUNE 2010	R1,500,000.00	0%	0%	
XEROX (XTEC)	PHOTOSTATING MACHINE	01 JUNE 2008	30 JULY 2009	UNKNOWN	100%	100%	
TELECOMMUNICATIONS	RISTAR	01 JUNE 2008	31 JULY 2009	UNKNOWN	50%	50%	
CELLPHONES	NASHUA	01 JUNE 2008	31 JULY 2009	UNKNOWN	100%	100%	
CONCRETE PALISADE FENCING	CONRITE WALLS	01 JUNE 2008	31 JULY 2009	R408,000.00	100%	100%	
KLIP RIVER MONITORING	STEWART SCOTT	UNKNOWN	UNKNOWN	UNKNOWN	100%	100%	
PREMIX SUPPLY	SHISALANGA	01 JUNE 2008	31 JULY 2009	01 JUNE 2008	100%	100%	
BITUMEN AND TAR SPRAYS	HAMBAKAHLE	01 JUNE 2008	31 JULY 2009	01 JUNE 2008	100%	100%	
HIRING OF PLANT AND EQUIPMENT	DE FRANCAS	01 JUNE 2008	31 JULY 2009	01 JUNE 2008	100%	100%	
STONE	AFRISAM	01 JUNE 2008	31 JULY 2009	01 JUNE 2008	100%	100%	
READYMIX	AFRISAM	01 JUNE 2008	31 JULY 2009	01 JUNE 2008	100%	100%	
BUILDING MATERIALS	GENERAL WHOLESALERS	01 JUNE 2008	31 JULY 2009	01 JUNE 2008	100%	100%	
SAND MINING	KARRIMS	01 JUNE 2008	31 JULY 2009	01 JUNE 2008	100%	100%	
	GENERAL WHOLESALERS	01 JUNE 2008	31 JULY 2009	01 JUNE 2008	100%	100%	
		01 JUNE 2008	31 JULY 2009	01 JUNE 2008	100%	100%	

PURCHASE OF EQUIPMENT	NTOKOZWENI	01 JUNE 2008	31 JULY 2009	01 JUNE 2008	100%	100%	
	CAT	01 JUNE 2008	31 JULY 2009	01 JUNE 2008	100%	100%	
	DEZZI						
	McCORMICK						
	BELL						

Emnambithi / Ladysmith Municipality



**Annual Financial Statements
2008 / 2009**

Annual Financial Statements

for

Emnambithi / Ladysmith Municipality

for the year ended 30 June 2009

Province :

Kwazulu-Natal

AFS rounding :

R'0 (to the nearest R1)

Contact Information:

Name of Municipal Manager :	Mr N J Mdakane
-----------------------------	----------------

Name of Chief Financial Officer :	Mr R A Jhetam (Acting)
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Name of relevant Auditor :	Auditor-General
Contact telephone number :	033-264 7400
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Name of contact at National Treasury :	Thomas Matjeni
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Emnambithi / Ladysmith Municipality
ANNUAL FINANCIAL STATEMENTS
30 JUNE 2009

General Information

Members of the Council

Ms D C P Mazibuko	Mayor
Mr M V Madlala	Deputy Mayor
Mr R Niemand	Speaker
Mr N P Sigasa	Member of the Executive Committee
Ms IVB Madonsela	Member of the Executive Committee
Mr J M H Wood	Member of the Executive Committee
Mr M R Suddaby	Member of the Executive Committee
Mr N P Moloi	Member of the Executive Committee
Mr M J Buthelezi	Member of the Executive Committee

Municipal Manager

Mr N J Mdakane

Chief Financial Officer

Mr R A Jhetam (Acting)

Grading of Local Authority

Grade 4

Auditors

Auditor-General

Bankers

ABSA – Public Sector Banking

Registered Office :

Lister Clarence Building – Murchison Street, Ladysmith

Physical Address :

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Murchison Street
Ladysmith
3370

Postal Address :

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036 – 631 1400

E-mail address :

mm@ladysmith.co.za

EMNAMBITHI / LADYSMITH MUNICIPALITY

ANNUAL FINANCIAL STATEMENTS

for the year ended

30 June 2009

Approval of annual financial statements

I am responsible for the preparation of these financial statements, which are set out on pages 1 to 46, in terms of Section 126(1) of the Municipal Finance Management Act and which I have signed on behalf of the Municipality.

I certify that the salaries, allowances and benefits of Councillors as disclosed in note 21 of these annual financial statements are within the upper limits of the framework envisaged in Section 219 of the Constitution, read with the Remuneration of Public Officer Bearers Act and the Minister of Provincial and Local Government's determination in accordance with this Act.

NJ Mdakane
Municipal Manager

Date

EMNAMBITHI / LADYSMITH MUNICIPALITY
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

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EMNAMBITHI / LADYSMITH MUNICIPALITY
STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2009

	Note	2009 R	2008 R
NET ASSETS AND LIABILITIES			
Net Assets		725,353,409	129,412,086
Housing Development Fund	1	17,432,891	13,974,883
Accumulated Surplus/(Deficit)		707,920,517	115,437,203
Non-Current Liabilities		16,670,588	18,207,594
Long-Term Borrowings	2	16,670,588	18,207,594
Current Liabilities		147,143,563	156,862,023
Consumer Deposits	3	6,276,715	6,124,046
Provisions	4	40,735,912	33,263,309
Trade and Other Payables from Exchange Transactions	5	62,371,825	45,915,489
Unspent Conditional Grants and Receipts	6	36,217,823	70,142,029
VAT Payable	7	-	-
Current Portion of Borrowings	2	1,541,288	1,417,150
Total Net Assets and Liabilities		889,167,559	304,481,703
ASSETS			
Non-Current Assets		744,190,624	182,232,741
Property, Plant and Equipment	8	744,190,624	182,232,741
Investments	9	-	-
Non-Current Receivables	10	-	-
Current Assets		144,976,935	122,248,962
Inventories	11	1,706,117	1,385,511
Trade and Other Receivables from Exchange Transactions	12	20,206,458	14,494,735
Other Receivables from Non-Exchange Transactions	13	14,436,171	13,884,612
VAT Receivable	7	7,105,779	6,489,535
Current Portion of Receivables	10	97,990	111,803
Call Investment Deposits	14	81,886,852	69,949,857
Cash and cash Equivalents	15	19,537,568	15,932,909
Total Assets		889,167,559	304,481,703

EMNAMBITHI / LADYSMITH MUNICIPALITY
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE FINANCIAL YEAR ENDED 30th JUNE 2009

Budget				Actual	
2008 R	2009 R		Note	2009 R	2008 R
REVENUE					
86,841,000	80,538,801	Property Rates	16	80,528,686	86,899,160
6,688,399	7,285,007	Property Rates – Penalties imposed and Collection Charges		7,360,038	7,215,312
103,732,390	121,562,140	Service Charges	17	119,883,279	100,378,283
148,860	4,126,862	Interest Earned – External Investments		4,083,197	2,633,574
2,613,279	3,026,232	Interest Earned – Outstanding Debtors		2,998,148	2,997,543
3,815,920	1,971,495	Fines		2,707,410	3,313,145
3,081,122	4,438,153	Licences and Permits		4,926,309	4,058,943
46,060,911	67,094,189	Government Grants and Subsidies	18	63,608,370	50,636,401
-	-	Government Grants and Subsidies – Low Cost Housing	18	31,809,766	32,657,489
6,112,326	5,092,117	Other Income		14,224,876	11,038,801
-	-	Public Contributions, Donated Property, Plant and Equipment		-	-
8,321,333	-	Gains on Disposal of Property, Plant and Equipment		8,082,895	-
267,415,540	295,134,996	Total Revenue		340,212,974	301,828,652
EXPENSES					
66,604,950	76,294,598	Employee Related Costs	19	80,199,940	73,455,153
10,652,576	12,435,010	Remuneration of Councillors	20	9,892,996	9,005,163
7,712,194	4,255,040	Bad Debts		10,182,650	8,682,192
16,195,525	26,134,262	Indigency		16,210,852	16,195,525
12,529,966	13,424,661	Depreciation		18,240,180	20,482,028
22,191,141	29,042,386	Repairs and Maintenance		7,836,328	5,858,168
2,287,725	3,553,752	Finance Costs	21	1,748,330	2,056,944
52,333,916	68,451,799	Bulk Purchases	22	66,565,478	51,565,958
29,131,799	1,843,146	Grants / Subsidies and Rebates paid	23	1,688,849	29,049,854
-	-	Grant Expenses		2,905,443	5,131,075
-	-	Grants Expenses – Low Cost Housing		31,809,766	32,657,489
47,775,118	57,101,027	General Expenses		61,136,210	43,148,566
-	-	Loss on Disposal of Property, Plant and Equipment		-	-
267,414,910	292,535,681	Total Expenses		308,417,021	297,288,114
630	2,599,315	SURPLUS/(DEFICIT) FOR THE YEAR		31,795,953	4,540,537

EMNAMBITHI / LADYSMITH MUNICIPALITY
STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2009

	Housing Development Fund	Accumulated Surplus/ (Deficit)	Total
	R	R	R
2008			
Balance at 1 July 2007	9,546,693	72,752,608	82,299,301
Surplus/(deficit) for the year	-	4,540,537	4,540,537
Prior Year Adjustments	-	2,206,050	2,206,050
Changes in Accounting Policy – Reserves	-	94,732,018	94,732,018
Changes in Accounting Policy – Provision for Post Retirement Benefits	-	-31,893,309	-31,893,309
Changes in Accounting Policy – Provision for Bad Debt	-	-38,794,245	-38,794,245
Transfer to Housing Development Fund	4,428,190	-	4,428,190
Transfers to Accumulated Surplus – Depreciation	-	11,893,543	11,893,543
Balance at 30 June 2008	13,974,883	115,437,203	129,412,086
2009			
Balance at 1 July 2008	13,974,883	115,437,203	129,412,086
Surplus /(deficit) for the year	-	31,795,953	31,795,953
Prior Year Adjustments	-	-13,501	-13,501
Deemed Cost Adjustment – Property, Plant & Equipment	-	529,539,485	-529,539,485
Transfers to Accumulated Surplus – Asset Funding	-	25,860,450	-25,860,450
Transfer to Housing Development Fund	3,458,008	-	3,458,008
Transfers to Accumulated Surplus – Depreciation	-	5,300,928	5,300,928
Balance at 30 June 2009	17,432,891	707,920,517	-385,446,461

EMNAMBITHI / LADYSMITH MUNICIPALITY
CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2009

	Note	2009 R	2008 R
CASH FLOW FROM OPERATING ACTIVITIES			
Cash receipts from ratepayers, government and other		319,394,237	334,868,192
Cash paid to suppliers and employees		<u>-257,180,635</u>	<u>-264,611,039</u>
Cash generated from/(utilised in) operations	24	62,213,601	70,257,154
Interest received		7,081,345	5,631,118
Interest paid		<u>-1,748,330</u>	<u>-2,056,944</u>
NET CASH FROM OPERATING ACTIVITIES		<u><u>67,546,617</u></u>	<u><u>73,831,328</u></u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		-50,758,577	-27,359,046
Proceeds on disposal of property, plant and equipment		-	-
(Increase)/decrease in investment properties		-	-
(Increase)/decrease in non-current receivables		13,813	80,049
(Increase)/decrease in non-current investments		-	-
(Increase)/decrease in call investment deposits		<u>-11,936,995</u>	<u>-28,923,185</u>
NET CASH FROM INVESTING ACTIVITIES		<u><u>-62,681,760</u></u>	<u><u>-56,202,182</u></u>
CASH FLOWS FROM FINANCING ACTIVITIES			
New loans raised/(repaid)		-1,412,868	-2,872,284
Increase/(decrease) in consumer deposits		<u>152,670</u>	<u>160,715</u>
NET CASH FROM FINANCING ACTIVITIES		<u><u>-1,260,199</u></u>	<u><u>-2,711,570</u></u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		<u><u>3,604,659</u></u>	<u><u>14,917,576</u></u>
Cash and cash equivalents at the beginning of the year		15,932,909	1,015,334
Cash and cash equivalents at the end of the year	25	<u>19,537,568</u>	<u>15,932,909</u>

EMNAMBITHI / LADYSMITH MUNICIPALITY
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE YEAR ENDED 30 JUNE 2009

1. BASIS OF PREPARATION

1.1 BASIS OF PRESENTATION

The annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention unless specified otherwise.

These annual financial statements have been prepared in accordance with Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 122(3) of the Municipal Finance Management Act, (Act No 56 of 2003).

The principle accounting policies adopted in the preparation of these annual financial statements are set out below.

Assets, liabilities, revenues and expenses have not been offset except when offsetting is required or permitted by a Standard of GRAP.

The accounting policies applied are consistent with those used to present the previous year's financial statements, unless explicitly stated. The details of any changes in accounting policies are explained in the relevant policy.

1.2 PRESENTATION CURRENCY

These annual financial statements are presented in South African Rand, which is the functional currency of the municipality.

1.3 GOING CONCERN ASSUMPTION

These annual financial statements have been prepared on the assumption that the municipality will continue to operate as a going concern for at least the next 12 months.

1.4 COMPARATIVE INFORMATION

Budget information in accordance with GRAP 1 and 24, has been provided in an annexure to these financial statements and forms part of the audited annual financial statements.

When the presentation or classification of items in the annual financial statements is amended, prior period comparative amounts are restated. The nature and reason for the reclassification is disclosed. Where accounting errors have been identified in the current year, the correction is made retrospectively as

EMNAMBITHI / LADYSMITH MUNICIPALITY
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE YEAR ENDED 30 JUNE 2009 (Continued)

1.4 COMPARATIVE INFORMATION (Continued)

far as is practicable, and the prior year comparatives are restated accordingly. Where there has been a change in accounting policy in the current year, the adjustment is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly.

2. HOUSING DEVELOPMENT FUND

The Housing Development Fund was established in terms of the Housing Act, (Act No. 107 of 1997). Loans from national and provincial government used to finance housing selling schemes undertaken by the Municipality were extinguished on 1 April 1998 and transferred to a Housing Development Fund. Housing selling schemes, both complete and in progress as at 1 April 1998, were also transferred to the Housing Development Fund. In terms of the Housing Act, all proceeds from housing developments, which include rental income and sales of houses, must be paid into the Housing Development Fund. Monies standing to the credit of the Housing Development Fund can be used only to finance housing developments within the municipal area subject to the approval of the Provincial MEC responsible for housing.

3. PROPERTY, PLANT AND EQUIPMENT

3.1 INITIAL RECOGNITION

Property, plant and equipment are tangible non-current assets (including infrastructure assets) that are held for use in the production or supply of goods or services, rental to others, or for administrative purposes, and are expected to be used during more than one year. Items of property, plant and equipment are initially recognised as assets on acquisition date are initially recorded at cost. The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by the municipality. Trade discounts and rebates are deducted in arriving at the cost. The cost includes the necessary costs of dismantling and removing the asset and restoring the site on which it is located.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Where an asset is acquired by the municipality for no or nominal consideration (i.e. a non-exchange transaction), the cost is deemed to be equal to the fair value of that asset on the date acquired.

EMNAMBITHI / LADYSMITH MUNICIPALITY
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE YEAR ENDED 30 JUNE 2009 (Continued)

3.1 INITIAL RECOGNITION (Continued)

Where an item of property, plant and equipment is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, its deemed cost is the carrying amount of the asset(s) given up.

Major spare parts and servicing equipment qualify as property, plant and equipment when the municipality expects to use them during more than one period. Similarly, if the major spare parts and servicing equipment can be used only in connection with an item of property, plant and equipment, they are accounted for as property, plant and equipment.

3.2 SUBSEQUENT MEASUREMENT

Subsequent to initial recognition, property, plant and equipment are carried at deemed cost, being its fair value as at 30 June 2009, less any subsequent accumulated depreciation and impairment losses. Land is not depreciated as it is deemed to have an indefinite useful life.

An increase or decrease in the carrying amount of an asset as a result of a conditional assessment as at 30 June 2009 is credited/debited directly to accumulated surplus.

Where the municipality replaces parts of an asset, it derecognises the part of the asset being replaced and capitalises the new component. Subsequent expenditure incurred on an asset is capitalised when it increases the capacity or future economic benefits associated with the asset.

3.3 DEPRECIATION AND IMPAIRMENT

Depreciation is calculated on cost, using the straight-line method over the estimated useful lives of the assets. Components of assets that are significant in relation to the whole asset and that have different useful lives are depreciated separately. The annual depreciation rates are based on the following estimated average asset lives:-

EMNAMBITHI / LADYSMITH MUNICIPALITY
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE YEAR ENDED 30 JUNE 2009 (Continued)

3.3 DEPRECIATION AND IMPAIRMENT (Continued)

DETAILS	YEARS	DETAILS	YEARS
<i>Infrastructure</i>		<i>Other</i>	
Roads and Paving	5 – 100	Buildings	10 – 50
Pedestrian Malls	20	Specialised Vehicles	3 – 20
Electricity	10 – 50	Other Vehicles	3 – 20
Water	10 – 100	Office Equipment	5 – 7
Sanitation	10 – 100	Furniture and Fittings	10
Housing	30	Watercraft	15
Stormwater	25 – 120	Bins and Containers	5 – 10
<i>Community</i>		Specialised Plant and Equipment	5 – 15
Buildings	10 – 50	Other Items of Plant and Equipment	5 – 15
Recreational Facilities	10 – 100	Landfill sites	15
Security	3 – 5		

The residual value, the useful life of an asset and the depreciation method is reviewed annually and any changes are recognised as a change in accounting estimate in the Statement of Financial Performance.

The municipality tests for impairment where there is an indication that an asset may be impaired. An assessment of whether there is an indication of possible impairment is done at each reporting date. Where the carrying amount of an item of property, plant and equipment is greater than the estimated recoverable amount (or recoverable service amount), it is written down immediately to its recoverable amount (or recoverable service amount) and an impairment loss is charged to the Statement of Financial Performance.

3.4 DERECOGNITION

Items of property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset. The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying value and is recognised in the Statement of Financial Performance.

EMNAMBITHI / LADYSMITH MUNICIPALITY
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE YEAR ENDED 30 JUNE 2009 (Continued)

4. INVENTORIES

4.1 INITIAL RECOGNITION

Inventories comprise current assets held for sale, consumption or distribution during the ordinary course of business. Inventories are initially recognised at cost. Cost generally refers to the purchase price, plus taxes, transport costs and any other costs in bringing the inventories to their current location and condition. Where inventory is manufactured, constructed or produced, the cost includes the cost of labour, materials and overheads used during the manufacturing process.

Where inventory is acquired by the municipality for no or nominal consideration (i.e. a non-exchange transaction), the cost is deemed to be equal to the fair value of the item on the date acquired.

4.2 SUBSEQUENT MEASUREMENT

Inventories, consisting of consumable stores, raw materials, work-in-progress and finished goods, are valued at the lower of cost and net realisable value unless they are to be distributed at no or nominal charge, in which case they are measured at the lower of cost and current replacement cost. Redundant and slow-moving inventories are identified and written down in this way. Differences arising on the valuation of inventory are recognised in the Statement of Financial Performance in the year in which they arose. The amount of any reversal of any write-down of inventories arising from an increase in net realisable value or current replacement cost is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

The carrying amount of inventories is recognised as an expense in the period that the inventory was sold, distributed, written off or consumed, unless that cost qualifies for capitalisation to the cost of another asset.

In general, the basis of allocating cost to inventory items is the weighted average method.

5. FINANCIAL INSTRUMENTS

5.1 INITIAL RECOGNITION

Financial instruments are initially recognised at fair value.

EMNAMBITHI / LADYSMITH MUNICIPALITY
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE YEAR ENDED 30 JUNE 2009 (Continued)

5.2 SUBSEQUENT MEASUREMENT

Financial Assets are categorised according to their nature as either financial assets at fair value through profit or loss, held-to maturity, loans and receivables, or available for sale. Financial liabilities are categorised as either at fair value through profit or loss or financial liabilities carried at amortised cost ("other"). The subsequent measurement of financial assets and liabilities depends on this categorisation and, in the absence of an approved GRAP Standard on Financial Instruments, is in accordance with IAS 39.

5.2.1 INVESTMENTS

Investments, which include listed government bonds, unlisted municipal bonds, fixed deposits and short-term deposits invested in registered commercial banks, are categorised as either held-to-maturity where the criteria for that categorisation are met, or as loans and receivables, and are measured at amortised cost. Where investments have been impaired, the carrying value is adjusted by the impairment loss, which is recognised as an expense in the period that the impairment is identified. Impairments are calculated as being the difference between the carrying amount and the present value of the expected future cash flows flowing from the instrument. On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Financial Performance.

5.2.2 TRADE AND OTHER RECEIVABLES

Trade and other receivables are categorised as financial assets: loans and receivables and are initially recognised at fair value and subsequently carried at amortised cost. Amortised cost refers to the initial carrying amount, plus interest, less repayments and impairments. An estimate is made for doubtful receivables based on a review of all outstanding amounts at year-end. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. Impairments are determined by discounting expected future cash flows to their present value. Amounts that are receivable within 12 months from the reporting date are classified as current.

An impairment of trade receivables is accounted for by reducing the carrying amount of trade receivables through the use of an allowance account, and the amount of the loss is recognised in the Statement of Financial Performance within operating expenses. When a trade receivable is uncollectible, it is written off. Subsequent recoveries of amounts

EMNAMBITHI / LADYSMITH MUNICIPALITY
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE YEAR ENDED 30 JUNE 2009 (Continued)

5.2.2 TRADE AND OTHER RECEIVABLES (Continued)

previously written off are credited against operating expenses in the Statement of Financial Performance.

5.2.3 TRADE PAYABLES AND BORROWINGS

Financial liabilities consist of trade payables and borrowings. They are categorised as financial liabilities held at amortised cost, are initially recognised at fair value and subsequently measured at amortised cost which is the initial carrying amount, less repayments, plus interest.

5.2.4 CASH AND CASH EQUIVALENTS

Cash includes cash on hand (including petty cash) and cash with banks (including call deposits). Cash equivalents are short-term highly liquid investments, readily convertible into known amounts of cash, that are held with registered banking institutions with maturities of three months or less and are subject to an insignificant risk of change in value. For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held on call with banks, net of bank overdrafts. The municipality categorises cash and cash equivalents as financial assets: loans and receivables.

6. UNAUTHORISED EXPENDITURE

Unauthorised expenditure is expenditure that has not been budgeted, expenditure that is not in terms of the conditions of an allocation received from another sphere of government, municipality or organ of state and expenditure in the form of a grant that is not permitted in terms of the Municipal Finance Management Act (Act No.56 of 2003). Unauthorised expenditure is accounted for as an expense in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

7. IRREGULAR EXPENDITURE

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No.56 of 2003), the Municipal Systems Act (Act No.32 of 2000), the Public Office Bearers Act (Act No. 20 of 1998) or is in contravention of the Municipality's supply chain management policy. Irregular expenditure excludes unauthorised expenditure. Irregular expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

EMNAMBITHI / LADYSMITH MUNICIPALITY
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE YEAR ENDED 30 JUNE 2009 (Continued)

8. FRUITLESS AND WASTEFUL EXPENDITURE

Fruitless and wasteful expenditure is expenditure that was made in vain and would have been avoided had reasonable care been exercised. Fruitless and wasteful expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

9. PROVISIONS

Provisions are recognised when the municipality has a present or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the provision can be made. Provisions are reviewed at reporting date and adjusted to reflect the current best estimate. Where the effect is material, non-current provisions are discounted to their present value using a pre-tax discount rate that reflects the market's current assessment of the time value of money, adjusted for risks specific to the liability (for example in the case of obligations for the rehabilitation of land).

The municipality does not recognise a contingent liability or contingent asset. A contingent liability is disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is disclosed where an inflow of economic benefits is probable.

Future events that may affect the amount required to settle an obligation are reflected in the amount of a provision where there is sufficient objective evidence that they will occur. Gains from the expected disposal of assets are not taken into account in measuring a provision. Provisions are not recognised for future operating losses. The present obligation under an onerous contract is recognised and measured as a provision.

10. LEASES

10.1 MUNICIPALITY AS LESSEE

Leases are classified as finance leases where substantially all the risks and rewards associated with ownership of an asset are transferred to the municipality. Property, plant and equipment or intangible assets subject to finance lease agreements are initially recognised at the lower of the asset's fair value and the present value of the minimum lease payments. The corresponding liabilities are initially recognised at the inception of the lease and are measured as the sum of the minimum lease payments due in terms of the lease agreement, discounted for the effect of interest. In discounting the lease payments, the municipality uses the interest rate that exactly discounts the lease payments and

EMNAMBITHI / LADYSMITH MUNICIPALITY
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE YEAR ENDED 30 JUNE 2009 (Continued)

10.1 MUNICIPALITY AS LESSEE (Continued)

unguaranteed residual value to the fair value of the asset plus any direct costs incurred.

Subsequent to initial recognition, the leased assets are accounted for in accordance with the stated accounting policies applicable to property, plant, equipment or intangibles. The lease liability is reduced by the lease payments, which are allocated between the lease finance cost and the capital repayment using the effective interest rate method. Lease finance costs are expensed when incurred. The accounting policies relating to derecognition of financial instruments are applied to lease payables. The lease asset is depreciated over the shorter of the asset's useful life or the lease term.

Operating leases are those leases that do not fall within the scope of the above definition. Operating lease rentals are accrued on a straight-line basis over the term of the relevant lease.

10.2 MUNICIPALITY AS LESSOR

Under a finance lease, the municipality recognises the lease payments to be received in terms of a lease agreement as an asset (receivable). The receivable is calculated as the sum of all the minimum lease payments to be received, plus any unguaranteed residual accruing to the municipality, discounted at the interest rate implicit in the lease. The receivable is reduced by the capital portion of the lease instalments received, with the interest portion being recognised as interest revenue on a time proportionate basis. The accounting policies relating to derecognition and impairment of financial instruments are applied to lease receivables.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

11. REVENUE

11.1 REVENUE FROM EXCHANGE TRANSACTIONS

Revenue from exchange transactions refers to revenue that accrued to the municipality directly in return for services rendered / goods sold, the value of which approximates the consideration received or receivable.

Service charges relating to electricity are based on consumption. Meters are read on a monthly basis and are recognised as revenue when invoiced. Provisional estimates of consumption are made monthly when meter readings have not been performed. The provisional estimates of consumption are recognised as revenue when invoiced. Adjustments to provisional estimates of consumption are made

EMNAMBITHI / LADYSMITH MUNICIPALITY
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE YEAR ENDED 30 JUNE 2009 (Continued)

11.1 REVENUE FROM EXCHANGE TRANSACTIONS (Continued)

in the invoicing period in which meters have been read. These adjustments are recognised as revenue in the invoicing period.

Revenue from the sale of electricity prepaid meter cards is recognised at the point of sale.

Service charges relating to refuse removal are recognised on a monthly basis in arrears by applying the approved tariff to each property that has improvements. Tariffs are determined per category of property usage, and are levied monthly based on the recorded number of refuse containers per property.

Interest revenue is recognised on a time proportion basis.

Revenue from the rental of facilities and equipment is recognised on a straight-line basis over the term of the lease agreement.

Revenue arising from the application of the approved tariff of charges is recognised when the relevant service is rendered by applying the relevant gazetted tariff. This includes the issuing of licences and permits.

Revenue from the sale of goods is recognised when substantially all the risks and rewards in those goods is passed to the consumer.

Revenue arising out of situations where the municipality acts as an agent on behalf of another entity (the principal) is limited to the amount of any fee or commission payable to the municipality as compensation for executing the agreed services.

11.2 REVENUE FROM NON-EXCHANGE TRANSACTIONS

Revenue from non-exchange transactions refers to transactions where the municipality received revenue from another entity without directly giving approximately equal value in exchange. Revenue from non-exchange transactions is generally recognised to the extent that the related receipt or receivable qualifies for recognition as an asset and there is no liability to repay the amount.

Revenue from property rates is recognised when the legal entitlement to this revenue arises. Collection charges are recognised when such amounts are legally enforceable. Penalty interest on unpaid rates is recognised on a time proportionate basis.

EMNAMBITHI / LADYSMITH MUNICIPALITY
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE YEAR ENDED 30 JUNE 2009 (Continued)

11.2 REVENUE FROM NON-EXCHANGE TRANSACTIONS (Continued)

Fines constitute both spot fines and summonses. Revenue from spot fines and summonses is recognised when payment is received.

Revenue from public contributions and donations is recognised when all conditions associated with the contribution have been met or where the contribution is to finance property, plant and equipment, when such items of property, plant and equipment qualifies for recognition and first becomes available for use by the municipality. Where public contributions have been received but the municipality has not met the related conditions, the revenue is recognized as unspent grants.

Contributed property, plant and equipment is recognised when such items of property, plant and equipment qualifies for recognition and become available for use by the municipality.

Revenue from the recovery of unauthorised, irregular, fruitless and wasteful expenditure is based on legislated procedures, including those set out in the Municipal Finance Management Act (Act No.56 of 2003) and is recognised when the recovery thereof from the responsible councillors or officials is virtually certain.

11.3 GRANTS, TRANSFERS AND DONATIONS

Grants, transfers and donations received or receivable are recognised when the resources that have been transferred meet the criteria for recognition as an asset. A corresponding liability is raised to the extent that the grant, transfer or donation is conditional. The liability is transferred to revenue as and when the conditions attached to the grant are met. Grants without any conditions attached are recognised as revenue when the asset is recognised.

12. BORROWING COSTS

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalised to the cost of that asset unless it is inappropriate to do so. The municipality ceases the capitalisation of borrowing costs when substantially all the activities to prepare the asset for its intended use or sale are complete. It is considered inappropriate to capitalise borrowing costs where the link between the funds borrowed and the capital asset acquired cannot be adequately established. Borrowing costs incurred other than on qualifying assets are recognised as an expense in surplus or deficit when incurred.

EMNAMBITHI / LADYSMITH MUNICIPALITY
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE YEAR ENDED 30 JUNE 2009 (Continued)

13. RETIREMENT BENEFITS

The municipality provides retirement benefits for its employees and councillors. The contributions to fund obligations for the payment of retirement benefits are charged against revenue in the year they become payable. The defined benefit funds, which are administered on a provincial basis, are actuarially valued triennially on the projected unit credit method basis. Deficits identified are recognised as a liability and are recovered through lump sum payments or increased future contributions on a proportional basis to all participating municipalities. Specific actuarial information in respect of individual participating municipalities is unavailable due to centralised administration of these funds. As a result, defined benefit plans have been accounted for as if they were defined contribution plans.

Other post-employment benefit obligations

The municipality provides post-retirement healthcare benefits to their retirees. The entitlement to these benefits is usually conditional on the employee remaining in service up to retirement age and the completion of a minimum service period. This benefit has since been restricted to persons 50 years and older of age as at 1 July 2005. The contributions to fund obligations for the payment of retirement benefits are charged against revenue in the year they become payable. The expected costs of these benefits will be accrued over the period of employment using an accounting methodology similar to that used for defined benefit pension plans. Actuarial gains and losses arising and changes in actuarial assumptions, are charged or credited to income over the expected average remaining working lives of the relevant employees.

EMNAMBITHI / LADYSMITH MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

	2009 R	2008 R
1. HOUSING DEVELOPMENT FUND		
Housing Development Fund	17,432,891	13,974,883
Unappropriated Surplus/(Deficit)	-29,691,611	-33,149,619
Loans extinguished by Government on 1 April 1998	47,124,502	47,124,502
The Housing Development Fund is represented by the following assets and liabilities		
Property, plant and equipment	-	-
Housing selling scheme loans	-1,863,250	-1,538,899
Housing rental debtors	-	-
Bank and cash	19,296,142	15,513,782
Sub-total	17,432,891	13,974,883
Creditors	-	-
Total Housing Development Fund Assets and Liabilities	17,432,891	13,974,883
2. NON-CURRENT BORROWINGS		
Loans	18,210,448	19,621,513
Receiver of Revenue – Housing Debtors	1,428	3,232
	18,211,876	19,624,745
Less : Current portion transferred to current liabilities – Borrowings	-1,541,288	-1,417,150
	-1,541,288	-1,417,150
Total Borrowings	16,670,588	18,207,594
Refer to Appendix A for more detail on long-term liabilities.		
3. CONSUMER DEPOSITS		
Electricity	6,276,715	6,124,046
Total Consumer Deposits	6,276,715	6,124,046
Interest is not paid on Consumer Deposits		
Guarantees held in lieu of Electricity Deposits	2,666,844	2,689,860

EMNAMBITHI / LADYSMITH MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

2009
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4. PROVISIONS

Provision for reclamation of refuse landfill site
Provision for post-retirement employee benefits

4,367,000	1,370,000
36,368,912	31,893,309
<u>40,735,912</u>	<u>33,263,309</u>

Refuse Landfill Site

In terms of the licencing of the landfill refuse site, Council will incur rehabilitation costs to restore the site at the end of its useful life. The Municipality has reviewed the useful life of the refuse landfill site and thus the provision made is in terms of the latest information available.

Post-Retirement Employee Benefits

The Municipality provides post-retirement healthcare benefits to certain of their retirees. The liability was valued as at 30 June 2009. First time adoption of IAS took place on 1 July 2007. The post-retirement healthcare benefit is unfunded.

The amounts recognised on the balance sheet are as follows:

Present value of obligations	36,368,912	31,893,309
Fair value of plan assets	-	-
Unrecognised Past Service cost	-	-
Unrecognised actuarial (gains)/losses	-2,152,742	-2,171,004
Liability Recognised in Balance Sheet	<u>34,216,171</u>	<u>29,722,305</u>

Movement in the Defined Benefit Obligation recognised in the balance sheet:

Previous opening liability	31,893,310	-
Transitional liability recognised	-	27,530,954
Current service cost	962,846	903,426
Interest cost	3,548,465	2,388,488
Actual benefits paid	-1,102,947	-1,100,562
Actuarial loss / (gain)	1,067,238	2,171,004
Closing Balance	<u>36,368,912</u>	<u>31,893,310</u>

The amounts recognised in the income statement are as follows:

Current service cost	962,846	903,426
Interest cost	3,548,465	2,388,488
Actuarial losses recognised	1,085,502	0
Transitional liability recognised	0	27,530,954
Total included in income statement	<u>5,596,813</u>	<u>30,822,868</u>

Principle actuarial assumptions used:

Discount rate	9.30%	10.80%
Health care cost inflation	8.30%	9.80%
Average retirement age-Males	63	63
Average retirement age-Females	59	59
Continuation of membership at retirement	90%	90%
Average remaining working life time	2	2

The effect of a 1% movement in the assumed medical cost trend rate

	1% increase	Base	1% decrease
Current employees	22,087,293	19,494,732	17,299,969
Continuation	18,627,363	16,874,180	15,375,436
All	<u>40,714,656</u>	<u>36,368,912</u>	<u>32,675,405</u>

The effect of a 1% movement in the assumed medical cost trend rate on interest and service cost

	1% increase	Base	1% decrease
Current service cost	1,091,387	962,846	851,695
Interest cost	3,982,575	3,548,465	3,179,947

EMNAMBITHI / LADYSMITH MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

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Mortality Improvements sensitivity

	Base	0.50%	1%
Current employees	19,494,732	20,322,977	21,207,879
Continuation	16,874,180	17,466,747	18,094,980
All	36,368,912	37,789,724	39,302,859

Continuation Assumption Sensitivity – Current employees not on medical aid

	25%	Base (50%)	75%
Current employees	13,660,479	19,494,732	25,328,985
Continuation	16,874,180	16,874,180	16,874,180
All	30,534,659	36,368,912	42,203,164

The Municipality expects to pay R2.4m to its post-retirement medical aid plan in 2010

5. TRADE AND OTHER PAYABLES FROM EXCHANGE TRANSACTIONS

Trade Creditors	12,048,939	4,839,932
Sundry Creditors	23,989,351	22,583,348
Unidentified Deposits in Primary Bank Account	13,633,043	7,182,177
Deposits : Other	1,383,677	1,986,974
Payments Received In Advance	-	200
Other Creditors	126,317	101,115
Staff Leave	4,802,419	4,345,197
Payments Received in Advance i.r.o. Service Debtors	6,388,079	4,876,546
Total Trade and Other payables from Exchange Transactions	62,371,825	45,915,489

Trade Creditors are valued at fair value as creditors are paid 30 days from date of statement.

6. UNSPENT CONDITIONAL GRANTS AND RECEIPTS

Conditional Grants from other Spheres of Government	36,217,823	70,142,029
Municipal Infrastructure Grants (MIG)	-6,699,467	10,866,171
Provincial Local Economic Development (LED Projects)	810,467	1,986,150
Housing Projects	38,148,146	50,441,292
Other Grants and Subsidies	3,958,676	6,848,416
Total Conditional Grants and Receipts	36,217,823	70,142,029

7. VAT PAYABLE / RECEIVABLE

Vat Payable / (Receivable)	-7,105,779	-6,489,535
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VAT is payable on the receipts basis. Only once payment is received from debtors is VAT paid over to SARS.

EMNAMBITHI / LADYSMITH MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

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8. PROPERTY, PLANT AND EQUIPMENT

30 June 2009

Reconciliation of Carrying Value	Infrastructure R	Community R	Heritage R	Other R	Land R	Total R
Carrying values at 1 July 2008	105,898,362	22,970,795	604,356	37,153,772	15,605,457	182,232,741
Cost	280,052,419	35,865,974	604,356	91,877,078	15,605,457	424,005,283
Accumulated impairment	-	-	-	-	-	-
Accumulated depreciation	-174,154,057	-12,895,179	-	-54,723,306	-	-241,772,542
Acquisitions	39,737,724	328,975	-	10,691,878	-	50,758,577
Capital under Construction	-	-	-	-	-	-
Depreciation	-11,475,838	-1,197,010	-	-5,567,333	-	-18,240,180
Deemed Cost Adjustment	416,008,630	22,361,909	-604,356	14,769,758	77,003,543	529,539,485
Carrying value of disposals	-	-	-	-	-100,000	-100,000
Cost/revaluation	-	-	-	-	-100,000	-100,000
Accumulated depreciation	-	-	-	-	-	-
Carrying values at 30 June 2009	550,168,879	44,464,670	-	57,048,075	92,509,000	744,190,624
Deemed Cost	550,168,879	44,464,670	-	57,048,075	92,509,000	744,190,624
Accumulated depreciation	-	-	-	-	-	-

30 June 2008

Reconciliation of Carrying Value	Infrastructure R	Community R	Heritage R	Other R	Land R	Total R
Carrying values at 1 July 2007	101,828,591	22,493,219	604,356	34,824,101	15,811,677	175,561,943
Cost	261,160,041	34,232,291	604,356	85,044,092	15,811,677	396,852,457
Accumulated impairment	-	-	-	-	-	-
Accumulated depreciation	-159,331,451	-11,739,072	-	-50,219,992	-	-221,290,514
Acquisitions	18,892,378	1,633,683	-	6,832,985	-	27,359,046
Capital under Construction	-	-	-	-	-	-
Depreciation	-14,822,606	-1,156,107	-	-4,503,314	-	-20,482,028
Impairment loss-recognised/reversed	-	-	-	-	-	-
Carrying value of disposals	-	-	-	-	-206,220	-206,220
Cost/revaluation	-	-	-	-	-206,220	-206,220
Accumulated depreciation	-	-	-	-	-	-
Carrying values at 30 June 2008	105,898,362	22,970,795	604,356	37,153,772	15,605,457	182,232,741
Cost	280,052,419	35,865,974	604,356	91,877,078	15,605,457	424,005,283
Accumulated depreciation	-174,154,057	-12,895,179	-	-54,723,306	-	-241,772,542

Refer to Appendix B and B(1) for more detail on property, plant and equipment.

During the year the municipality implemented a process to identify, record, value and manage infrastructure and movable assets as required in terms of GRAP 17. This resulted in a reconstructed fixed asset register for infrastructure assets. The key issues in this regard are as follows:

Physical verification and valuation

- All the infrastructure assets have been physically verified during the year by specialists. during this process the asset location, condition and maintenance history was recorded and evaluated.
- The assets have been valued by an independent valuer and are effective on 30 June 2009.
- Due to the specialised nature of the assets, and market availability of information, the Depreciated Replacement Cost method was used.
- A 100% verification and condition assessment was done except for stormwater due to the nature of the assets and the fact that the assets are underground.
- In the case of inaccessible assets various methods were employed to record and value the assets. These assets are reflected in the asset register as "polygon assets". A polygon asset is an asset that is referenced by a geographically referenced area and the actual position and detail of the asset estimated within this geographical area. As the assets are maintained or a process implemented to more accurately record these assets the polygon can be broken down into detail components.

EMNAMBITHI / LADYSMITH MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

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Retrospective application of the effects of implementation of GRAP 17

- The implementation of GRAP 17 is a change in accounting policy. In terms of GRAP 3 changes in accounting policies should be applied retrospectively unless it is impractical.
- Due to the historical lack of detail of infrastructure asset information and the requirement to record infrastructure assets into significant components, reconciliation between the old register and new register is not possible. In addition to this the assets condition were determined through, inter alia, a visual inspection. It is not possible to determine what the condition of the assets would have been in the previous periods. For this reason the retrospective application of the infrastructure asset information is not practical. The municipality elected to apply the implementation of GRAP 17 prospectively and to treat the valuation of the assets as the deemed cost of the assets as at 30 June 2009.

Disclosure of the asset information

- As the valuation is effective on 30 June 2009 and the fact that the change in accounting policy is applied prospectively, the asset information based on the old register is disclosed in the financial statements. In addition to this the reconciliation between the carrying value of the old assets with the deemed cost of the new register is disclosed.

Deemed cost adjustment

- The value of the assets as determined by the valuers will be treated as the deemed cost on 30 June 2009. The difference in value between the global amount reflected per categories in the accounting records and the global amounts of the categories in the new asset register will be treated as a deemed cost adjustment. This adjustment is made directly to accumulated surplus.
- Future depreciation will be offset with the related amount of the deemed cost adjustment. This purpose of this process is to promote community equity by ensuring that future depreciation expenses incurred will be offset against the deemed cost adjustment.

Depreciation for the year has been based on the old asset values and is calculated on a straight line method.

Included in the Land and Buildings above are items that may meet the definition of investment properties, but the municipality has not yet finalised the process of identifying investment properties for reporting purposes.

9. INVESTMENTS

Nil

Total Investments

-	-
-	-

10. NON-CURRENT RECEIVABLES

State Housing Selling Schemes

569,214

654,443

Land Sales

0

893

Staff Housing Loans

84,050

90,016

Housing Loan Debtors

653,264

745,352

Less : Current Portion transferred to current receivables

97,990

111,803

State Housing Selling Schemes

85,382

98,166

Land Sales

0

134

Staff Housing Loans

12,608

13,502

Housing Loan Debtors

-

-

Less : Provision for Bad Debt

-555,275

-633,549

Total

-	-
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11. INVENTORIES

Consumable Stores

1,706,117

1,385,511

Total Inventory

1,706,117	1,385,511
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EMNAMBITHI / LADYSMITH MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

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12. TRADE AND OTHER RECEIVABLES FROM EXCHANGE TRANSACTIONS

As at 30 June 2009

	Gross Balances	Provision for Bad Debts	Net Balance
Service debtors	101,649,650	-81,443,192	20,206,458
Rates	65,869,113	-60,188,144	5,680,970
Electricity	22,468,218	-12,108,080	10,360,138
Refuse	13,312,318	-9,146,968	4,165,350
Housing rentals	1,826,002	-1,826,002	-
Total	103,475,651	-83,269,194	20,206,458

As at 30 June 2008

Service debtors	98,779,793	-84,285,058	14,494,735
Rates	60,090,455	-56,332,234	3,758,221
Electricity	25,017,657	-15,183,360	9,834,297
Refuse	13,671,680	-12,769,463	902,217
Housing rentals	1,846,199	-1,846,199	-
Total	100,625,991	-86,131,256	14,494,735

Rates : Ageing

Current (0 - 30 days)	56,141	-92,479
31 - 60 Days	2,551,930	1,719,972
61 - 90 Days	1,989,075	1,108,350
91 - 120 Days	1,083,824	1,022,378
121+ Days	60,188,144	56,332,234
Total	65,869,113	60,090,455

Electricity : Ageing

Current (0 - 30 days)	7,503,149	7,673,393
31 - 60 Days	1,871,016	1,603,279
61 - 90 Days	222,759	297,704
91 - 120 Days	208,907	259,921
121+ Days	12,662,387	15,183,360
Total	22,468,218	25,017,657

Refuse : Ageing

Current (0 - 30 days)	716,241	445,322
31 - 60 Days	330,052	192,662
61 - 90 Days	277,357	137,007
91 - 120 Days	251,877	127,225
121+ Days	11,736,790	12,769,463
Total	13,312,318	13,671,680

Reconciliation of the doubtful debt provision

Balance at beginning of the year	84,285,058	49,008,081
Contributions to provision	8,020,678	23,882,060
Additional provision for impairment	-	24,459,767
Doubtful debts written off against provision	-10,862,544	-13,064,850
Reversal of provision	-	-
Balance at year end	81,443,192	84,285,058

EMNAMBITHI / LADYSMITH MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

2009
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Trade and other receivables past due but not impaired

Trade and other receivables which are less than 3 months past due are not considered to be impaired. At 30 June 2009, R 8 134 816 – (2008: R 6 468 499) were past due but not impaired. The ageing of amounts past due but not impaired is as follows:

1 month past due	4,752,998	3,515,914
2 months past due	2,489,191	1,543,062
3 months past due	1,544,609	1,409,523
	<u>8,786,798</u>	<u>6,468,499</u>

Trade and other receivables impaired

As of 30 June 2009, trade and other receivables of R73 533 239 (2008: R 84 285 058) were impaired and provided for. The amount of the provision was R73 533 239 as of 30 June 2009 (2008: R84 285 058). The ageing of these receivables is as follows:

3 to 6 months	3,618,562	999,993
Over 6 months	77,824,630	83,285,065
	<u>81,443,192</u>	<u>84,285,058</u>

The fair value of trade and other receivables approximates their carrying amounts.

13. OTHER RECEIVABLES FROM NON-EXCHANGE TRANSACTIONS

Vat Service Debtors	4,498,296	4,889,270
Service Debtors – Conversion Debt	-6,830	4,939,170
Colenso / Nkanyezi Arrears – Debtors	5,890	6,189
Colenso / Nkanyezi Availability Charges – Debtors	208,361	217,476
Legal Fees – Debtors	2,487,385	1,733,015
Credit Control Costs – Debtors	243,205	250,390
Sundry Debtors	<u>15,556,500</u>	<u>13,703,832</u>
	22,992,807	25,739,342
Less : Provision for Bad Debt	-8,556,635	-11,854,731
Total Other Debtors	<u>14,436,171</u>	<u>13,884,612</u>

EMNAMBITHI / LADYSMITH MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

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14. CALL INVESTMENT DEPOSITS

The Municipality has the following call investment bank accounts :-

General Call Account

First National Bank – Ladysmith Branch
Account Number 62070527729
Bank statement balance at end of year

10,607,430

ABSA Bank – Public Sector Banking
Account Number 9207051716
Bank statement balance at end of year

11,519,766

Department of Housing Grants Call Account

First National Bank – Ladysmith Branch
Account Number 62066230617
Bank statement balance at end of year

53,267,929

ABSA Bank – Public Sector Banking
Account Number 9207052314
Bank statement balance at end of year

48,335,129

MIG Call Account

First National Bank – Ladysmith Branch
Account Number 62130673834
Bank statement balance at end of year

844,586

ABSA Bank – Public Sector Banking
Account Number 9207054081
Bank statement balance at end of year

8,668,894

Capital Projects Loan Call Account

First National Bank – Ladysmith Branch
Account Number 62102531888
Bank statement balance at end of year

1,830,205

ABSA Bank – Public Sector Banking
Account Number 9207054502
Bank statement balance at end of year

787,449

Aloe and Berg Tea Call Account

First National Bank – Ladysmith Branch
Account Number 62123569321
Bank statement balance at end of year

723,749

ABSA Bank – Public Sector Banking
Account Number 9207054934
Bank statement balance at end of year

216,868

Valuations Call Account

First National Bank – Ladysmith Branch
Account Number 62159103391
Bank statement balance at end of year

2,675,958

ABSA Bank – Public Sector Banking
Account Number 9216278503
Bank statement balance at end of year

2,038,019

Thusong Service Centre Call Account

ABSA Bank – Public Sector Banking
Account Number 9207055346
Bank statement balance at end of year

130,634

Depreciation Call Account

ABSA Bank – Public Sector Banking
Account Number 9216278799
Bank statement balance at end of year

10,190,093

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Total Call Deposits

81,886,852

69,949,857

EMNAMBITHI / LADYSMITH MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

2009
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R

15. CASH AND CASH EQUIVALENTS

The Municipality has the following bank account :-

Current Account (Primary Bank Account)

First National Bank – Ladysmith Branch
Account Number 52810034604

ABSA Bank – Public Sector Banking
Account Number 4071756088

Cash book balance at beginning of year	15,932,909	1,015,334
Cash book balance at end of year	19,537,568	15,932,909
Bank statement balance at beginning of year	22,468,936	9,208,109
Bank statement balance at end of year	17,032,571	22,468,936

The Municipality changed bankers on 1 July 2008 from First National Bank to ABSA bank.

16. PROPERTY RATES

<u>Actual</u>		
Residential	45,236,883	60,694,721
Commercial	28,042,402	21,935,700
State	7,249,401	4,268,738
Total Assessment Rates	80,528,686	86,899,160
	R'000	R'000
<u>Valuations</u>		
Residential	5,802,980	1,534,513
Commercial	1,964,374	795,498
State	660,779	224,703
Total Property Valuations	8,428,133	2,554,714

Valuation on land and buildings are performed every five years. The last valuation came into effect on 1 July 2008. Supplementary valuations are processed on a ad-hoc basis to take into account changes in individual property values due to change in use, alterations, consolidations and subdivisions.

A residential property allocation factor of R0.01 is applied to residential property valuations to determine assessment rates less R15 000 impermissible valuation allowed. A factor of R0.02 is applied to commercial and industrial with R15 000 impermissible valuation allowed. A factor of R0.003 is applied to Agricultural and Public Service Infrastructure with R15 000 and 30% impermissible allowed respectively and phased in over 3 years. A factor of R0.036 is applied to vacant land. A factor of R0.012 is applied to State Domestic R0.036 is applied to vacant land. A factor of R0.012 is applied to State Domestic with R 15 000 impermissible valuation allowed. A factor of R0.014 is applied to Ithala owned properties with R 15 000 impermissible valuation allowed.

A general rate of 2008 : R0.1948 is applied to land valuations and a general rate of 2008 : R0.0113 is applied to building valuations to determine assessment rates in the Ladysmith / Ezakheni / Steadville areas. A general rate of 2008 : R0.6311 is applied to land valuations to determine assessment rates in the Colenso area.

Rebates of 2008 : 25% are granted to residential property owners and 20% to state properties, and a structured rebate is applicable to Ithala owned properties.

Rates are levied on a monthly basis on property owners with the final date of payment being 30 June 2009 (2008: 30 June 2008). Interest at 18% per annum (2008: 18%) is levied on outstanding rates as well as a 10% (2008: 10%) collection charge two months after final date of payment.

EMNAMBITHI / LADYSMITH MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

	2009 R	2008 R
17. SERVICE CHARGES		
Sale of electricity	108,558,241	89,603,050
Refuse removal	11,325,038	10,775,233
Total Service Charges	119,883,279	100,378,283

18. GOVERNMENT GRANTS AND SUBSIDIES

Equitable share	52,919,025	40,115,476
Provincial LED Projects	2,084,969	2,006,528
Provincial health subsidies	6,243,851	5,389,850
Municipal Infrastructure Grant (MIG)	377,585	72,101
Dept of Housing	31,809,766	32,657,489
Museum subsidy	62,972	-
Financial Management Grant – Interns Salaries	477,079	-
Municipal Systems Improvement Grant	1,000,000	-
Other – Council Assets	104,361	2,651,155
Other – Non Council Assets	338,528	401,291
Total Government Grant and Subsidies	95,418,136	83,293,890

18.1 Equitable Share

In terms of the Constitution, this grant is used to subsidise the provision of basic services to indigent community members. All registered indigents and automatic indigents, whose Property Valuation is R 36 720 and less, receives a credit for their Property Rates and their monthly services account.

18.2 Provincial LED Projects

Balance unspent at beginning of year	1,986,150	288,346
Correction of Balance Between Grant Types	-	-47,107
Current year receipts	909,286	3,751,440
Conditions met – transferred to Deferred Income (Property, Plant & Equipment)	-	-
Conditions met – transferred to revenue	-2,084,969	-2,006,528
Conditions still to be met – transferred to liabilities	810,467	1,986,150

Provincial LED Projects grants are used to promote Small, Medium and Micro Enterprises. The grant is spent in accordance with a business plan approved by the provincial Government (included in Council General vote in Appendix D). No funds have been withheld.

18.3 Provincial Health Subsidies

Balance unspent at beginning of year	-	-
Current year receipts – included in Health Services Vote	6,243,851	5,389,850
Conditions met – transferred to revenue	-6,243,851	-5,389,850
Conditions still to be met – transferred to liabilities	-	-

The Municipality renders health services on behalf of the Provincial Government and is refunded approximately 100% of total expenditure incurred. This grant has been used exclusively to fund clinic services and health inspections (included in the Health Services vote in Appendix D). The conditions of the grant have been met. There was no delay or withholding of the subsidy.

EMNAMBITHI / LADYSMITH MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

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R

18.4 Municipal Infrastructure Grant (MIG)

Balance unspent at beginning of year	10,866,171	1,796,236
Correction of Balance Between Grant Types	-	670,260
Current year receipts	12,172,000	10,621,778
Conditions met – transferred to Deferred Income (Property, Plant & Equipment)	-29,360,053	-2,150,002
Conditions met – transferred to revenue (Other)	-377,585	-72,101
Conditions still to be met – transferred to liabilities	<u>-6,699,467</u>	<u>10,866,171</u>

This grant was used to construct roads and bridges, sportsfields and streetlighting as part of the upgrading of informal settlement areas (included in the votes in Appendix B). No funds have been withheld.

18.5 Department of Housing

Balance unspent at beginning of year	50,441,292	28,902,544
Correction of Balance Between Grant Types	-	-322,007
Current year receipts	19,516,620	54,518,244
Conditions met – transferred to revenue	-31,809,766	-32,657,489
Conditions still to be met – transferred to liabilities	<u>38,148,146</u>	<u>50,441,292</u>

This grant was used to construct houses as part of the upgrading of informal settlement areas.

18.6 Museum subsidy

Balance unspent at beginning of year	-	-
Current year receipts	62,972	-
Conditions met – transferred to revenue	-62,972	-
Conditions still to be met – transferred to liabilities	<u>-</u>	<u>-</u>

This grant was used to subsidise expenses incurred solely for the museums.

18.7 Financial Management Grant – Interns Salaries

Balance unspent at beginning of year	-	-
Current year receipts	477,079	-
Conditions met – transferred to revenue	-477,079	-
Conditions still to be met – transferred to liabilities	<u>-</u>	<u>-</u>

This grant was used for Interns salaries to advance the implementation of the MFMA.

18.8 Municipal Systems Improvement Grant

Balance unspent at beginning of year	-	-
Current year receipts	1,000,000	-
Conditions met – transferred to revenue	-1,000,000	-
Conditions still to be met – transferred to liabilities	<u>-</u>	<u>-</u>

This grant was used for the implementation of the MPRA and the Asset Management Program to comply with GRAP.

18.9 Other Grants – Council Assets

Balance unspent at beginning of year	5,039,705	6,867,042
Correction of Balance Between Grant Types	-	-2,221,523
Current year receipts	2,453,304	6,230,045
Conditions met – transferred to Deferred Income (Property, Plant & Equipment)	-5,158,434	-3,184,704
Conditions met – transferred to revenue (Other)	-104,361	-2,651,155
Conditions still to be met – transferred to liabilities	<u>2,230,213</u>	<u>5,039,705</u>

These grants include MAP, MSP, MSIG, FMG, GIS, LUMS, DME, IDP infrastructure development, etc.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

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18.10 Other Grants – Non Council Assets

Balance unspent at beginning of year	1,808,711	241,897
Correction of Balance Between Grant Types	–	1,920,377
Current year receipts	258,280	47,728
Conditions met – transferred to revenue	-338,528	-401,291
Conditions still to be met – transferred to liabilities	<u>1,728,462</u>	<u>1,808,711</u>

These grants cover expenses from the incorporated Municipalities

18.11 Changes in levels of government grants

Based on the allocations set out in the Division of Revenue Act, (Act 1 of 2005), no significant changes in the level of government grant funding are expected over the forthcoming 3 financial years.

19. EMPLOYEE RELATED COSTS

Employee related costs – Salaries and Allowances	59,987,971	55,636,995
Employee related costs – Contributions for UIF, pensions, medical aids and group life	13,918,467	14,349,831
Travel allowances	3,596,440	3,133,996
Housing benefits and allowances	925,034	855,896
Overtime & standby payments	6,645,434	3,956,215
Performance bonus	289,627	180,270
Job Creation	6,887,340	5,355,335
Less : Employee costs to Property, Plant and Equipment and other expenses	-12,050,372	-10,013,385
Total Employee Related Costs	<u>80,199,940</u>	<u>73,455,153</u>

There were no advances or loans to employees.

Remuneration of the Municipal Manager

Annual Remuneration	746,909	690,017
Performance Bonus	89,657	56,520
Total	<u>836,565</u>	<u>746,537</u>

Remuneration of the Chief Financial Officer

Annual Remuneration	424,693	481,976
Overtime & Standby	–	–
Performance Bonus / Annual Bonus	22,253	33,000
Housing Benefits and Allowances	–	–
Travel Allowance	76,266	90,474
Contributions to UIF, Medical and Pension Funds	74,393	1,479
Total	<u>597,606</u>	<u>606,929</u>

**Remuneration of Individual Executive Managers / Managers (HOD's)
30 June 2009**

	Economic Development (EM)	Governance & Transformation (EM)	Electrical Services (EM)
Annual Remuneration	469,893	573,950	505,853
Overtime & Standby	–	–	–
Performance/Annual Bonuses	53,737	53,737	70,244
Housing Benefits and Allowances	–	–	–
Travel Allowance	164,057	60,000	120,000
Contributions to UIF, Medical and Pension Funds	–	–	–
Contributions to Group Life	–	–	–
Total	<u>687,687</u>	<u>687,687</u>	<u>696,097</u>

EMNAMBITHI / LADYSMITH MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

	2009 R	2008 R
30 June 2009		
	Corporate Services (M)	Engineering Services (M)
Annual Remuneration	267,038	267,038
Overtime & Standby	58,216	58,344
Performance Bonuses/Annual Bonuses	22,253	22,253
Housing Benefits and Allowances	8,754	8,754
Travel Allowance	138,611	142,467
Contributions to UIF, Medical and Pension Funds	90,691	68,299
Contributions to Group Life	4,326	-
Total	589,889	567,156

**Public
Safety
(M)**

30 June 2008	Economic Development	Governance & Transformation	Electrical Services
Annual Remuneration	417,234	509,503	440,662
Overtime & Standby	-	-	-
Performance Bonuses/Annual Bonuses	45,375	28,875	16,500
Housing Benefits and Allowances	-	-	-
Travel Allowance	164,057	59,999	119,999
Contributions to UIF, Medical and Pension Funds	1,479	1,479	1,479
Contributions to Group Life	-	-	-
Total	628,144	599,856	578,640

30 June 2008	Corporate Services	Engineering Services	Public Safety
Annual Remuneration	246,572	246,572	246,572
Overtime & Standby	49,018	49,733	47,242
Performance Bonuses/Annual Bonuses	20,548	20,548	20,548
Housing Benefits and Allowances	7,221	7,221	-
Travel Allowance	122,470	121,811	123,655
Contributions to UIF, Medical and Pension Funds	83,776	63,123	83,819
Contributions to Group Life	4,290	-	-
Total	533,895	509,008	521,837

20. REMUNERATION OF COUNCILLORS

Mayor	554,559	499,603
Deputy Mayor	446,844	402,562
Speaker	446,844	402,562
EXCO Committee Members	1,820,414	1,673,064
Councillors	6,624,335	6,027,372
Total Councillors' Remuneration	9,892,996	9,005,163

In-kind Benefits

The Mayor, Deputy Mayor and Speaker are full-time. Each is provided with an office and secretarial support at the cost of Council.

The Mayor and Deputy Mayor has the use of a Council owned vehicle each for official duties.

EMNAMBITHI / LADYSMITH MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

		2009 R	2008 R
21. FINANCE COSTS			
Long-term liabilities		1,724,829	2,035,184
Creditors		23,500	21,760
Bank overdrafts		-	-
Total Interest Paid		<u>1,748,330</u>	<u>2,056,944</u>
22. BULK PURCHASES			
Electricity		66,565,478	51,565,958
Total Bulk Purchases		<u>66,565,478</u>	<u>51,565,958</u>
	2009 Kwh	2008 Kwh	
Distribution Losses : Electricity			
Value of Purchases at Sales Price	257,135,905	275,749,478	121,341,431
Less : Sales	-223,055,428	-234,199,467	-105,258,987
Total Losses	<u>34,080,477</u>	<u>41,550,011</u>	<u>16,082,444</u>
Technical Losses	17,999,513	19,302,463	8,493,900
Non-Technical Losses	16,080,964	22,247,548	7,588,544
Total Losses	<u>34,080,477</u>	<u>41,550,011</u>	<u>16,082,444</u>
Percentage of Total Loss	13.25%	15.07%	13.25%
23. GRANTS AND SUBSIDIES PAID			
Grants paid to students		68,743	103,508
Grants paid to other		13,250	-
Rates Rebates		1,606,856	28,946,346
Total Grants and Subsidies Paid		<u>1,688,849</u>	<u>29,049,854</u>
24. CASH GENERATED BY OPERATIONS			
Surplus/(Deficit) for the year		31,795,953	4,540,537
Adjustment for:-			
Non-Operating Income		3,458,008	765,866
Non-Operating Expenditure		-5,300,928	-3,961,488
Adjustments in Respect of Previous Years & Appropriations		24,132,217	-12,201,865
Depreciation		18,240,180	20,482,028
Contribution to staff leave accrual		2,233,938	2,419,397
Contribution to bad debt provision		10,182,650	23,882,060
Investment income		-7,081,345	-5,631,118
Interest paid		1,748,330	2,056,944
Operating surplus before working capital changes:		<u>79,409,002</u>	<u>32,352,361</u>
(Increase)/decrease in Inventories		-320,606	-132,137
(Increase)/decrease in debtors		-5,711,723	-3,189,460
(Increase)/decrease in other debtors		-551,560	1,317,605
(Decrease)/increase in conditional grants and receipts		-33,924,206	32,045,963
(Decrease)/increase in creditors		16,456,335	13,287,755
(Decrease)/increase in provisions		7,472,603	450,000
(Decrease)/increase in VAT		-616,245	-5,874,934
Cash generated by operations		<u>62,213,601</u>	<u>70,257,154</u>

EMNAMBITHI / LADYSMITH MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

	2009 R	2008 R
25. CASH AND CASH EQUIVALENTS		
Cash and cash equivalents included in the cash flow statement comprise the following statement of amounts indicating financial position :		
Bank balance	19,537,568	15,932,909
Total cash and cash equivalents	19,537,568	15,932,909
26. CHANGE IN ACCOUNTING POLICY		
The following adjustments were made to amounts previously reported in the annual financial statements of the municipality arising from the implementation of new accounting policies and changes to existing policies :		
<u>26.1 Reserves</u>		
Balance previously reported :-		
Capitalisation Reserve	-	25,924,187
Government Grant Reserve	-	52,358,392
Donations & Public Contributions Reserve	-	67,814
Total	-	78,282,579
<u>26.2 Non-Current Liabilities</u>		
Balance previously reported :-		
Deferred Income	-	16,381,626
<u>26.3 Property, Plant & Equipment</u>		
Implementation of GRAP		
Deemed Cost Adjustment	529,539,485	-
<u>26.4 Accumulated Surplus</u>		
Balance previously reported :-		20,705,183
Transfer Capitalisation Reserve		25,924,187
Transfer Government Grant Reserve		52,358,392
Transfer Donations & Public Contributions Reserve		67,814
Transfer Deferred Income		16,381,626
Deemed Cost Adjustment	529,539,485	-
	529,539,485	115,437,202

EMNAMBITHI / LADYSMITH MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

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27. ADDITIONAL DISCLOSURES IN TERMS OF MUNICIPAL FINANCE MANAGEMENT ACT

27.1 Contributions to organised local government

Opening balance		
Council subscriptions	409,113	280,094
Amount paid – current year	-409,113	-280,094
Amount paid – previous years		
Balance unpaid (included in creditors)	-	-

27.2 Audit Fees

Opening balance	-	-
Current year audit fee	1,009,197	774,789
Amount paid – current year	-1,009,197	-774,789
Amount paid – previous years		
Balance unpaid (included in creditors)	-	-

27.3 VAT

All VAT returns have been submitted by the due date throughout the year.

27.4 PAYE and UIF

Opening balance	-	-
Current year payroll deductions	11,570,298	10,863,331
Amount paid – current year	-11,570,298	-10,863,331
Amount paid – previous years		
Balance unpaid (included in creditors)	-	-

27.5 Pension and Medical Aid Deductions

Opening balance	-	-
Current year payroll deductions and Council Contributions	22,133,851	20,636,100
Amount paid – current year	-22,133,851	-20,636,100
Amount paid – previous years		
Balance unpaid (included in creditors)	-	-

EMNAMBITHI / LADYSMITH MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

	2009 R	2008 R
28. CAPITAL COMMITMENTS		
28.1 Commitments in respect of capital expenditure:		
- Approved but not yet contracted for		
<i>Infrastructure</i>	79,886,912	53,039,958
<i>Community</i>	5,729,806	651,110
<i>Heritage</i>	-	-
<i>Other</i>	17,004,243	7,958,289
<i>Housing Development Fund</i>	-	-
<i>Investment Properties</i>	-	-
Total	102,620,961	61,649,358
This expenditure will be financed from:		
- External Loans	61,215,961	27,413,358
- Capital Replacement Reserve	-	-
- Government Grants	29,015,000	34,236,000
- Own Resources	12,390,000	-
	102,620,961	61,649,358
28.2 Operating leases		
At the reporting date, outstanding commitments under operating leases fall due as follows:		
Operating leases – as lessee		
Within one year	102,553	94,778
In the second to fifth year inclusive	69,852	156,820
After five years	-	-
Total	172,405	251,598
<i>Operating Leases consists of the following:</i>		
Operating lease payments represent rentals payable by the municipality for certain of its office properties. Leases are negotiated for an average term of five years and rentals have an escalation per annum. No contingent rent is payable.		
Operating leases – as lessor		
Minimum lease payments due		
Within one year	72,277	44,253
In the second to fifth year inclusive	119,321	118,513
After five years	427,000	451,068
Total	618,598	613,834
<i>Operating Leases consists of the following:</i>		
Certain of the municipality's property is held to provide a service to the community to assist with local economic and social development. Lease agreements are cancellable if agreed by both parties. Most leases have an indefinite term.		

29. RETIREMENT BENEFIT INFORMATION**Defined Contribution Plan**

The following are defined contribution plans. These are not treated as defined benefit plans as defined by IAS 19, but are accounted for as defined contribution plans. This is in line with the exemption in IAS 19 par.30 which states that where information required for proper defined benefit plan accounting is not available in respect of multi-employer and state plans, these should be accounted for as defined contribution plans. The municipality has been unsuccessful in obtaining the necessary information to support proper defined benefit plan accounting due to restrictions imposed by the multi-employer plan. It is therefore deemed impracticable to obtain this information at a suitable level of detail.

Natal Joint Municipal Pension Fund (Superannuation)

An interim valuation carried out on the NJMP Superannuation fund (defined benefit) at 31 March 2006 concluded that should the surcharge of 6% be retained for the year to 30 June 2007 and thereafter at 4.5% until 30 June 2008, the deficit of R88.3 million for members should be eliminated within two years.

Natal Joint Municipal Pension Fund (Retirement)

The latest statutory valuation of the NJMP Retirement Fund (defined benefit) as at 31 March 2007 reflected a fund deficit of R229.8 million in respect of members. The total contribution rate payable, including the total surcharge of 14% will eliminate the deficit by the year 2010.

Natal Joint Municipal Provident Fund

The latest statutory valuation of the NJMP Provident Fund (defined contribution) at 31 March 2007 revealed that the Fund was in a sound financial position.

30. COUNCILLOR'S ARREAR CONSUMER ACCOUNTS

The following Councillor's had arrear rates / services accounts 90 days+ outstanding during the financial year :-

Councillor B B Biyela
Councillor Am Hadebe
Councillor M V Madlala
Councillor B R Madonsela
Councillor S O Mahlaba
Councillor S V Shabalala
Councillor A S D Warasally

31. RELATED PARTIES

The Municipality has no related parties.

EMNAMBITHI / LADYSMITH MUNICIPALITY
APPENDIX A
SCHEDULE OF EXTERNAL LOANS AS AT 30 JUNE 2009

EXTERNAL LOANS				Balance at 30 June 2008	Received	Redeemed or Written Off	Balance at 30 June 2009
				R	R	R	R
LONG-TERM LOANS	Interest Rate	Loan Ref.	Redeemable				
Absa Bank – Tsakane Electrification	9.10%	A1	Feb 2026	6,068,547	–	145,612	5,922,934
F.N.B. – Capital Expenditure	9.10%	F3	Feb 2016	13,552,966	–	1,265,452	12,287,514
Total Long-Term Loans				19,621,513	–	1,411,064	18,210,448
GOVERNMENT LOANS							
Receiver of Revenue – Housing Vat Debtors				3,232	–	1,804	1,428
Total Government Loans				3,232	–	1,804	1,428
TOTAL EXTERNAL LOANS				19,624,745	–	1,412,868	18,211,876

EMNAMBITHI / LADYSMITH MUNICIPALITY
APPENDIX B
ANALYSIS OF PROPERTY, PLANT AND EQUIPMENT AS AT 30 JUNE 2009

	Cost / Revaluation					Accumulated Depreciation				Carrying Value	Budget Additions 2009
	Opening Balance	Additions	Under Construction	Disposals	Closing Balance	Opening Balance	Additions	Disposals	Closing Balance		
Infrastructure											
Electricity	67,036,917	3,628,425	-	-	70,665,341	31,959,654	2,860,627	-	34,820,281	35,845,060	27,692,000
Roads	207,562,478	36,109,300	-	-	243,671,777	137,434,436	8,469,341	-	145,903,777	97,768,000	25,605,384
Gas	14,098	-	-	-	14,098	14,098	-	-	14,098	-	-
Sewerage	155,854	-	-	-	155,854	148,850	1,002	-	149,852	6,002	-
Pedestrian Malls	1,263,501	-	-	-	1,263,501	989,874	48,002	-	1,037,876	225,625	-
Airports	656,342	-	-	-	656,342	630,044	1,547	-	631,591	24,751	-
Security Measures	2,675,296	-	-	-	2,675,296	2,416,507	82,873	-	2,499,379	175,916	-
Water	377,798	-	-	-	377,798	377,798	-	-	377,798	-	-
Other	310,136	-	-	-	310,136	182,796	12,447	-	195,243	114,893	-
	280,052,419	39,737,724	-	-	319,790,143	174,154,057	11,475,838	-	185,629,895	134,160,248	53,297,384
Community Assets											
Land & Buildings	31,914,482	328,975	-	-	32,243,457	10,769,127	1,031,983	-	11,801,110	20,442,347	344,863
Recreation Facilities	3,951,492	-	-	-	3,951,492	2,126,052	165,026	-	2,291,078	1,660,414	-
	35,865,974	328,975	-	-	36,194,949	12,895,179	1,197,010	-	14,092,188	22,102,761	344,863
Heritage Assets											
Buildings	604,356	-	-	-	604,356	-	-	-	-	604,356	-
	604,356	-	-	-	604,356	-	-	-	-	604,356	-
Other Assets											
Land & Buildings	23,655,168	-	-	-	23,655,168	12,542,260	663,613	-	13,205,874	10,449,294	2,051,233
Office Equipment	10,654,932	632,621	-	-	11,287,553	9,801,422	392,427	-	10,193,849	1,093,704	-
Furniture & Fittings	1,730,301	44,060	-	-	1,774,361	1,594,919	37,682	-	1,632,601	141,761	-
Bins & Containers	1,267,805	-	-	-	1,267,805	515,556	98,685	-	614,241	653,565	-
Emergency Equipment	2,204,459	-	-	-	2,204,459	273,290	136,145	-	409,435	1,795,024	-
Motor Vehicles	16,986,464	4,811,789	-	-	21,798,253	7,639,643	1,969,756	-	9,609,399	12,188,854	3,699,855
Plant & Equipment	25,582,476	5,203,408	-	-	30,785,883	15,235,068	1,739,099	-	16,974,167	13,811,717	3,655,557
Other	9,795,473	-	-	-	9,795,473	7,121,149	529,925	-	7,651,074	2,144,399	603,666
	91,877,078	10,691,878	-	-	102,568,956	54,723,306	5,567,333	-	60,290,639	42,278,317	10,010,310
Land Assets											
Vacant Land	15,605,457	-	-	100,000	15,505,457	-	-	-	-	15,505,457	-
	15,605,457	-	-	100,000	15,505,457	-	-	-	-	15,505,457	-
Total	424,005,283	50,758,577	-	100,000	474,663,861	241,772,542	18,240,180	-	260,012,722	214,651,139	63,652,558

EMNAMBITHI / LADYSMITH MUNICIPALITY
APPENDIX B (1)
RECONCILIATION OF PROPERTY, PLANT AND EQUIPMENT TO DEEMED VALUE
ANALYSIS OF PROPERTY, PLANT AND EQUIPMENT AS AT 30 JUNE 2009

	Carrying Value		Deemed Cost Adjustment	Deemed Cost
Infrastructure Assets		Infrastructure Assets		
Electricity	35,845,060	Electricity	147,841,858	183,686,919
Mains	6,992,560	High voltage overhead lines		6,997,669
Meters	533,216	High voltage substations		51,917,963
Power Stations	3,705,767	High voltage underground cables		-
Supply & Reticulation	24,611,303	Low voltage street lighting		-
Switchgear Equipment	356	Medium voltage ground mounted transformers		3,092,375
Transformers	1,858	Medium voltage mini substations		19,328,138
		Medium voltage overhead lines		1,992,837
		Medium voltage substations		56,010,763
		Medium voltage underground cables		39,540,658
		Medium voltage pole mounted transformer		2,357,057
		Medium voltage ring main unit		2,449,459
Roads	97,768,000	Roads	236,247,298	334,015,298
Bridges	27,613,268	Bridges		4,726,260
Bus Terminals	1,946,597	Concrete roads		-
Car Parks	240,192	Flexible roads		155,817,110
Other Roads	46,716,719	Unpaved roads		140,044,268
Street Lighting	6,668,036	Segmented block		9,885,921
Stormwater Drains	13,525,530	Other roads		-
Traffic Lights	325,992	Street furniture		135,445
Overhead Bridges	731,667	Structures		8,039,928
		Taxi ranks		1,699,033
		Signalised intersections		-
		Street furniture		13,667,333
Sewerage	6,002	Sewerage	-6,002	-
Sludge Machines	6,002			
Pedestrian Malls	225,625	Pedestrian Malls	-225,625	-
Paving	181,911			
Kerbing	17,707			
Footways	26,007			
Airports	24,751	Airports	2,475,249	2,500,000
Runways	24,751	Runways		2,500,000
Security Measures	175,916	Security Measures	-175,916	-
Security Systems	175,916			
Other	114,893	Other	-114,893	-
Manholes	26,308			
Railway Sidings	88,585			

EMNAMBITHI / LADYSMITH MUNICIPALITY
APPENDIX B (1)
RECONCILIATION OF PROPERTY, PLANT AND EQUIPMENT TO DEEMED VALUE
ANALYSIS OF PROPERTY, PLANT AND EQUIPMENT AS AT 30 JUNE 2009

	Carrying Value		Deemed Cost Adjustment	Deemed Cost
Stormwater	-	Stormwater	29,966,661	29,966,661
		Canals		657,867
		Catchpits		2,692,250
		Major Culverts		292,281
		Minor culverts		4,290,916
		Kerb inlets		107,520
		Manholes		844,272
		Open channels		8,965,880
		Reticulation		12,115,674
		Head and wingwalls		-
Solid Waste	-	Solid waste	1	1
		Garden refuse		-
		Landfill site		1
		Sorting stations		-
TOTAL INFRASTRUCTURE ASSETS	134,160,248	TOTAL INFRASTRUCTURE ASSETS	416,008,630	550,168,879
Community Assets		Community Assets		
Land & Buildings	20,442,347	Land and Buildings	10,691,685	31,134,032
Care Centre	8,224	Utility Hall		4,474,770
Clubhouse	9,164	Community Halls		14,687,081
Community Centres	12,439,891	Library		5,781,823
Fire Station	2,862,056	Taxi Ranks		1,433,691
Clinics / Hospitals	655,989	Clinics		2,024,231
Indoor Sports Complex	487,414	Church Building		368,470
Cemeteries	469,004	Multipurpose Centre		2,363,964
Game Reserve	24			
Libraries	980,451			
Museum / Art Galleries	154,983			
Parks	756,904			
Public Conveniences	331,570			
Stadiums	1,286,674			
Recreation Facilities	1,660,414	Recreational	11,670,224	13,330,638
Floodlighting	45,393	Sports Hall		8,872,184
Tennis Courts	152,720	Stadiums		1,401,687
Outdoor Sports Facilities	922,377	Swimming pools		462,918
Recreation Centre	482,851	Parks		299,801
Swimming Pools	57,073	Sports grounds		2,294,049
TOTAL COMMUNITY ASSETS	22,102,761	TOTAL COMMUNITY ASSETS	22,361,909	44,464,670

EMNAMBITHI / LADYSMITH MUNICIPALITY
APPENDIX B (1)
RECONCILIATION OF PROPERTY, PLANT AND EQUIPMENT TO DEEMED VALUE
ANALYSIS OF PROPERTY, PLANT AND EQUIPMENT AS AT 30 JUNE 2009

	Carrying Value		Deemed Cost Adjustment	Deemed Cost
Heritage Assets		Heritage Assets		-
Buildings	604,356	Buildings	-604,356	-
Buildings	604,356			
TOTAL HERITAGE ASSETS	604,356	TOTAL HERITAGE ASSETS	-604,356	-
Other Assets		Other Assets		
Land & Buildings	10,449,294	Land and Buildings	19,299,034	29,748,328
Asphalt Plant	9,690	Admin Houses		16,258,639
Hostels - Workers	23,784	Museum		68,825
Housing Schemes	6,198,260	Firestation		1,596,559
Laboratories	1,052	Paypoints		2,575,888
Markets	137,339	Staff Houses		1,083,725
Nurseries	9,144	Pound House		138,015
Office Buildings	1,269,689	Plant Nursery		457,532
Other Land (Drivers Testing Grounds)	1,055,433	Hostels		5,851,093
Tip Sites	1,301,801	Municipal Depot		1,217,683
Workshops / Depots	420,584	Caravan Park		59,173
Transport Facilities	22,518	Refuse section change room		64,953
		coal street workshop		154,974
		Cemeteries		221,270
Office Equipment	1,093,704	Office Equipment	73,968	1,167,672
Computer Hardware	545,186	Computer Hardware		929,441
Computer Software	76,213	Office Machines		37,425
Office Machines	155,905	Air Conditioners		200,806
Air Conditioners	316,400			
Furniture & Fittings	141,761	Furniture & Fittings	525,676	667,437
Chairs	34,710	Chairs		667,437
Miscellaneous	82,834			
Tables & Desks	4,782			
Cabinets & Cupboards	19,435			
Bins & Containers	653,565	Bins & Containers	-653,565	-
Bulk Containers	653,565			
Emergency Equipment	1,795,024	Emergency Equipment	-1,285,387	509,637
Fire Equipment	1,795,024	Fire Equipment		509,637
Motor Vehicles	12,188,854	Motor Vehicles	5,072,131	17,260,985
Motor Vehicles	11,629,659	Motor Vehicles		15,420,985
Trucks / Bakkies	559,196	Fire Engines		1,840,000

EMNAMBITHI / LADYSMITH MUNICIPALITY
APPENDIX B (1)
RECONCILIATION OF PROPERTY, PLANT AND EQUIPMENT TO DEEMED VALUE
ANALYSIS OF PROPERTY, PLANT AND EQUIPMENT AS AT 30 JUNE 2009

	Carrying Value		Deemed Cost Adjustment	Deemed Cost
Plant & Equipment	13,811,717	Plant & Equipment	-6,117,700	7,694,016
Radio Equipment	22,804	General Equipment		7,694,016
General Equipment	1,073,816			
Signs Traffic & Street Names	164,382			
Tippers	2,159,590			
Valuation Roll	111,272			
Compressors	37,208			
Graders	5,470,751			
Lawnmowers	27,000			
Rollers	980,915			
Trailers	447,096			
Tractors	3,316,883			
Other	2,144,399	Other	-2,144,399	-
Inventory Assets >R20000	1,190,570			
Grants Not Specified	867,184			
Agricultural Development Startegy	86,645			
TOTAL OTHER ASSETS	42,278,317	TOTAL OTHER ASSETS	14,769,758	57,048,075
Land Assets		Land Assets		
Vacant Land	15,505,457	Vacant Land	77,003,543	92,509,000
Vacant Land	15,505,457	Vacant Land		92,509,000
TOTAL LAND ASSETS	15,505,457	TOTAL LAND ASSETS	77,003,543	92,509,000
TOTAL ASSETS	214,651,139	TOTAL ASSETS	529,539,485	744,190,624

EMNAMBITHI / LADYSMITH MUNICIPALITY
APPENDIX C
SEGMENTAL ANALYSIS OF PROPERTY, PLANT AND EQUIPMENT

	Cost					Accumulated Depreciation				Carrying Value
	Opening Balance	Additions	Under Construction	Disposals	Closing Balance	Opening Balance	Additions	Disposals	Closing Balance	
Municipal Manager	112,599	-	-	-	112,599	112,599	-	-	112,599	-
Finance Management and Leadership	9,214,479	145,904	-	-	9,360,383	9,057,077	103,948	-	9,161,025	199,358
Mayoral	878	1,110	-	-	1,988	586	141	-	726	1,262
Community Services	25,060,373	333,779	-	-	25,394,152	10,266,276	687,115	-	10,953,391	14,440,761
Admin and Valuation	3,332,169	502,557	-	-	3,834,726	2,577,353	379,058	-	2,956,411	878,315
Council General	24,739,742	-	-	100,000	24,639,742	7,900,521	705,987	-	8,606,508	16,033,234
Corporate Services	267,492	254,054	-	-	521,546	99,902	61,395	-	161,297	360,249
BE Housing / Building Control	37,491,992	3,000,416	-	-	40,492,407	11,906,059	2,737,896	-	14,643,955	25,848,452
Public Works	197,149,861	31,637,178	-	-	228,787,039	138,423,269	7,532,990	-	145,956,258	82,830,780
Development & Planning	822,541	4,765,111	-	-	5,587,653	162,022	257,444	-	419,467	5,168,186
Admin and Environmental Health	4,874,978	6,084	-	-	4,881,062	1,749,618	475,262	-	2,224,881	2,656,181
Clinics	1,531,519	99,742	-	-	1,631,261	870,087	56,900	-	926,988	704,273
Parks & Gardens	8,255,901	-	-	-	8,255,901	3,565,526	219,023	-	3,784,550	4,471,352
Protection Services & Traffic	7,248,665	842,443	-	-	8,091,108	5,258,241	480,937	-	5,739,177	2,351,930
Fire Brigade	6,741,850	-	-	-	6,741,850	2,292,287	282,264	-	2,574,551	4,167,299
Environmental Hygiene	7,900,425	-	-	-	7,900,425	2,554,089	655,685	-	3,209,775	4,690,650
Real Estate and Housing	16,343,145	-	-	-	16,343,145	9,536,492	510,272	-	10,046,764	6,296,381
Electricity Service	72,916,674	9,170,200	-	-	82,086,873	35,440,537	3,093,861	-	38,534,398	43,552,475
TOTAL	424,005,283	50,758,577	-	100,000	474,663,861	241,772,542	18,240,180	-	260,012,722	214,651,139

EMNAMBITHI / LADYSMITH MUNICIPALITY
APPENDIX C (1)
RECONCILIATION OF PROPERTY, PLANT AND EQUIPMENT TO DEEMED VALUE
SEGMENTAL ANALYSIS OF PROPERTY, PLANT AND EQUIPMENT

	Carrying Value	GSF CATEGORY	Carrying Value by GSF Category	Deemed Cost Adjustment	Deemed Cost
Municipal Manager	-	Executive & Council	16,034,496	(16,011,014)	23,482
Finance Management and Leadership	199,358	Finance & Admin	1,437,922	31,552,430	32,990,352
Mayoral	1,262				
Community Services	14,440,761	Community & Social Services	14,440,761	13,776,847	28,217,608
Admin and Valuation	878,315				
Council General	16,033,234				
Corporate Services	360,249				
BE Housing / Building Control	25,848,452	Water Waste Management	-	29,966,661	29,966,661
Public Works	82,830,780	Road Transport	82,830,780	265,349,586	348,180,367
Development & Planning	5,168,186	Planning & Development	5,168,186	2,541,257	7,709,443
Admin and Environmental Health	2,656,181	Solid Waste Management	4,690,650	(4,625,697)	64,954
Clinics	704,273	Health	704,273	4,005,450	4,709,724
Parks & Gardens	4,471,352	Sports & Recreation	4,471,352	8,918,459	13,389,810
Protection Services & Traffic	2,351,930	Public Safety	6,519,229	(1,944,638)	4,574,591
Fire Brigade	4,167,299				
Environmental Hygiene	4,690,650	Environmental Protection	2,656,181	(2,198,649)	457,532
Real Estate and Housing	6,296,381	Housing	32,144,833	56,051,898	88,196,731
Electricity Service	43,552,475	Electricity	43,552,475	142,156,894	185,709,369
TOTAL	214,651,139		214,651,139	529,539,485	744,190,624

EMNAMBITHI / LADYSMITH MUNICIPALITY
APPENDIX D
SEGMENTAL STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED
30 JUNE 2009

2008 Actual Income R	2008 Actual Expenditure R	2008 Surplus / (Deficit) R		2009 Actual Income R	2009 Actual Expenditure R	2009 Surplus / (Deficit) R
-	980,214	-980,214	Municipal Manager	-	820,761	-820,761
489,351	9,560,783	-9,071,431	Admin and Valuation	2,569,485	16,741,528	-14,172,043
169,316,063	130,673,990	38,642,072	Council General	179,254,806	105,500,419	73,754,387
268,968	-443,308	712,275	Corporate Services	412,867	1,272,191	-859,325
2,026,365	3,899,885	-1,873,520	IT Management & Leadership	1,814,504	3,859,169	-2,044,664
286,014	24,657,898	-24,371,885	Public Works	292,187	23,154,444	-22,862,257
32,032	6,214,048	-6,182,016	Development & Planning	68,062	8,903,976	-8,835,914
5,971,700	20,575,591	-14,603,890	Admin And Environmental Health	6,818,490	24,725,243	-17,906,753
7,729,527	17,514,993	-9,785,466	Protection Services & Traffic	8,061,800	19,521,416	-11,459,617
-	704,884	-704,884	Mechanical Workshop	-	694,750	-694,750
257,040	3,449,813	-3,192,773	Real Estate and Housing	159,747	2,180,612	-2,020,865
19,496,045	24,199,178	-4,703,133	Environmental Hygiene	23,717,289	19,671,810	4,045,480
95,955,546	83,577,650	12,377,896	Electricity Service	117,043,736	105,464,469	11,579,267
301,828,652	325,565,620	-23,736,969	Sub Total	340,212,974	332,510,789	7,702,186
-	-28,277,506	28,277,506	Less : Inter-Departmental Charges	-	-24,093,767	24,093,767
301,828,652	297,288,114	4,540,537	Total	340,212,974	308,417,022	31,795,953

EMNAMBITHI / LADYSMITH MUNICIPALITY

APPENDIX E (1)

ACTUAL VERSUS BUDGET (REVENUE AND EXPENDITURE) FOR THE YEAR ENDED 30 JUNE 2009

	<u>2009 Actual R</u>	<u>2009 Budget R</u>	<u>2009 Variance R</u>	<u>2009 Variance %</u>	<u>Explanation of Significant Variances greater than 10% versus Budget</u>
REVENUE					
Property rates	80,528,686	80,538,801	-10,115	0.01	
Property rates – penalties and collection charges	7,360,038	7,285,007	75,031	-1.03	
Service charges	119,883,279	121,562,140	-1,678,861	1.38	
Interest earned – external investments	4,083,197	4,126,862	-43,665	1.06	
Interest earned – outstanding debtors	2,998,148	3,026,232	-28,084	0.93	
Fines	2,707,410	1,971,495	735,915	-37.33	Fines are deposited into the Municipality's bank account, and remain unidentified. These fines are not accounted for until such time that the funds have been properly
Licences and permits	4,926,309	4,438,153	488,156	-11.00	An increase in demand for drivers licences has added to the additional revenue. The relevant department had to work extra hours to accommodate the demand.
Government grants and subsidies	63,608,370	67,094,189	-3,485,819	5.20	Housing Grants are received on an ad-hoc basis with large tranch payments being received, which do not form part of our revenue as it is used only for low-cost
Other income	14,224,876	5,092,117	9,132,759	-179.35	Vehicle charge-outs accounts for a large portion of additional revenue generated, i.t.o. a surplus from the vehicle subsidiary ledger, that is not budgeted for.
Public contributions, donated and contributed PPE	-	-	-	0.00	
Gains on Disposal of property, Plant and Equipment	8,082,895	-	8,082,895	0.00	
Total Revenue	308,403,208	295,134,996	13,268,212	-4.50	
EXPENDITURE					
Employee related costs	80,199,940	76,294,598	3,905,342	-5.12	
Remuneration of Councillors	9,892,996	12,435,010	-2,542,014	20.44	
Indigency	16,210,852	26,134,262	-9,923,410	37.97	
Bad debts	10,182,650	4,255,040	5,927,610	-139.31	
Depreciation	18,240,180	13,424,661	4,815,519	-35.87	Depreciation for Grant Funded Assets is transferred through Deferred Income and Government Grant Reserve.
Repairs and maintenance	7,836,328	29,042,386	-21,206,058	73.02	A large portion of repairs and maintenance is used for refurbishing of assets. These amounts have been capitalised, and thus the large variance to budget.
Interest paid	1,748,330	3,553,752	-1,805,422	50.80	Additional loans were budgeted for, which have not yet been taken up.
Bulk purchases	66,565,478	68,451,799	-1,886,321	2.76	
Grants and subsidies paid	1,688,849	1,843,146	-154,297	8.37	
Grant Expenses	2,905,443	-	2,905,443	N/A	
General expenses	61,136,210	57,101,027	4,035,183	-7.07	
Total Expenditure	276,607,256	292,535,681	-15,928,425	5.44	
NET SURPLUS/(DEFICIT) FOR THE YEAR	31,795,953	2,599,315	29,196,638	-9.94	

EMNAMBITHI / LADYSMITH MUNICIPALITY

APPENDIX E (2)

ACTUAL VERSUS BUDGET (ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT) FOR THE YEAR ENDED 30 JUNE 2009

	<u>2009 Actual</u>	<u>2009 Under Construction</u>	<u>2009 Total Additions</u>	<u>2009 Budget</u>	<u>2009 Variance</u>	<u>2009 Variance</u>	<u>Explanation of Significant Variances greater than 5% versus Budget</u>
	R	R	R	R	R	%	
Infrastructure							
Electricity	3,628,425	-	3,628,425	27,692,000	-24,063,575	-87	Refurbishment of Assets was also done using Repairs & Maintenance Budgets.
Roads	36,109,300	-	36,109,300	25,605,384	10,503,915	41	
Gas	-	-	-	-	-	0	
Sewerage	-	-	-	-	-	0	
Pedestrian Malls	-	-	-	-	-	0	
Airports	-	-	-	-	-	0	
Security Measures	-	-	-	-	-	0	
Water	-	-	-	-	-	0	
Other	-	-	-	-	-	0	
	39,737,724	-	39,737,724	53,297,384	-13,559,660	-25	
Community Assets							
Land & Buildings	328,975	-	328,975	344,863	-15,887	-5	These surplus funds have been carried over to 2008/2009.
Recreation Facilities	-	-	-	-	-	0	
	328,975	-	328,975	344,863	-15,887	-5	
Heritage Assets							
Buildings	-	-	-	-	-	0	
	-	-	-	-	-	0	
Other Assets							
Land & Buildings	-	-	-	2,051,233	-2,051,233	-100	These surplus funds have been carried over to 2008/2009.
Office Equipment	632,621	-	632,621	-	632,621	0	
Furniture & Fittings	44,060	-	44,060	-	44,060	0	
Bins & Containers	-	-	-	-	-	0	
Emergency Equipment	-	-	-	-	-	0	
Motor Vehicles	4,811,789	-	4,811,789	3,699,855	1,111,934	0	
Plant & Equipment	5,203,408	-	5,203,408	3,655,557	1,547,851	42	These surplus funds have been carried over to 2008/2009.
Other	-	-	-	603,666	-603,666	-100	These surplus funds have been carried over to 2008/2009.
	10,691,878	-	10,691,878	10,010,310	681,568	7	
Land Assets							
Vacant Land	-	-	-	-	-	0	
	-	-	-	-	-	0	
Total	50,758,577	-	50,758,577	63,652,558	-12,893,980	-20	

EMNAMBITHI / LADYSMITH MUNICIPALITY
APPENDIX F
DISCLOSURES OF GRANTS AND SUBSIDIES IN TERMS OF SECTION 123 OF MFMA, 56 OF 2003

Name of Grants	Name of organ of state or municipal entity	Quarterly Receipts				Quarterly Expenditure				Did your municipality comply with the grant conditions in terms of grant framework in the latest Division of Revenue Act
		Sept	Dec	March	June	Sept	Dec	March	June	
Equitable Share	National Government	13,355,629	-	17,643,867	-	-	-	-	-	Yes
Equitable Share - Ezakheni Salaries	National Government	2,356,900	-	5,748,169	-	-	-	-	-	Yes
Central Government Councillor Allowances	National Government	685,000	-	2,138,401	-	-	-	-	-	Yes
Museum Subsidy	Provincial Government	-	-	-	-	-	-	-	-	Yes
Nurses Salaries	Provincial Government	-	-	-	5,998,917	1,470,929	1,669,729	1,519,241	1,584,354	Yes
Dept of Housing : Ezakheni	Dept of Housing	-	-	-	-	2,036,292	928,481	1,671,266	1,439,145	Yes
Dept of Housing : Ezakheni C Section	Dept of Housing	-	-	-	-	-	80	-	-	Yes
Dept of Housing : Nkanyezeli Hostel	Dept of Housing	-	-	-	-	12,088	49,996	22,119	53,537	Yes
Dept of Housing : Ntombis Camp	Dept of Housing	-	270,050	-	-	3,362	-	-	-	Yes
Dept of Housing : Roosboom	Dept of Housing	-	-	-	-	305,087	-	-	-	Yes
Dept of Housing : St Chads Rural Housing Development	Dept of Housing	-	-	-	-	1,432,201	127,311	-	381,932	Yes
Dept of Housing : St Chads Urban Housing Development	Dept of Housing	-	13,676,118	-	2,831,966	3,113,512	11,347,045	-	8,640,045	Yes
Dept of Housing : Steadville Area E	Dept of Housing	-	-	-	-	21,918	6,032	56,224	-	Yes
Dept of Housing : Steadville Hostel	Dept of Housing	-	-	-	-	-	-	-	5,235	Yes
Dept of Housing : Unidentified Funds	Dept of Housing	-	-	-	2,388,331	-	-	-	-	Yes
Dept of Housing : Municipal Housing Plan	Dept of Housing	-	-	-	50,000	-	50,000	-	-	Yes
Dept of Housing : Enhanced Ext Discount Benefit Scheme	Dept of Housing	-	-	300,155	-	-	-	4,500	-	Yes
Library Book Fare	Donors	-	-	-	20,500	-	-	-	205	Yes
Heritage Day Sponsorship	Donors	20,000	-	80,000	-16,720	5,913	74,820	7,500	-	Yes
Siege Festival	Donors	-	-	-	74,500	-	-	-	82,601	Yes
State of the Municipal Address	Donors	-	-	-	-	-	-	-	39,014	Yes
Flanders Pilot Project Housing	Flanders Govt	-	-	-	-	870	8,470	8,835	84,182	Yes
Aloe & Berg Tea Project	Gijima - European Union	5,241	5,241	212,687	157,559	120,131	498,688	254,152	-229,352	Yes
Ladysmith Heritage Centre	Gijima	-	-	80,000	-	-	-	-	-	Yes
Dept of Econ Dev & Tourism - Marshalls PVA	Dept of Econ Dev & Tourism	-	-	500,000	-	-	-	105,166	90,000	Yes
Sizenzela Project	Dept of Transport	-	-	61,099	-	-	-	61,099	-	Yes
Dept Arts & Culture Headcount System	Dept of Arts & Culture	-	-	-	-	-	-	286,300	247,729	Yes
Municipal Budget and Finance Reform Grant EC34/5/2003	National Government	500,000	-	-	-	399,771	219,651	147,390	30,463	Yes
D M E Allocation	National Government	-	-	-	-	26,375	6,592	387,471	110,988	Yes
D M E MV Backbone - Tsakane	National Government	-	-	-	-	28,403	34,855	53,547	-189,311	Yes
M I G - 10 HI mast lights - Ezakheni, Roosboom, Colenso, Steadville	National Government	-	-	-	-	51,014	-	-	540,074	Yes
M I G - Hobbsland/Peacetown Pedestrian bridge	National Government	-	-	6,986,000	5,186,000	-	-	-	-	Yes
M I G - Income	National Government	-	-	-	-	322,789	124,085	220,099	10,992,161	Yes
M I G - Low Water Crossing	National Government	-	-	-	-	-	-	79,615	-5,056	Yes
M I G - Pedestrian bridge Matondwane to Watersmeet	National Government	-	-	-	-	953,136	1,339,317	289,635	55,506	Yes
M I G - Pedestrian bridge Ndomba Cem to Umbulwane	National Government	-	-	-	-	-	24,994	-	-54,376	Yes
M I G - Pedestrian bridge Watershed to Driefontein	National Government	-	-	-	-	18,059	15,078	10,340	334,108	Yes
M I G - Project Management Unit	National Government	-	-	-	-	7,938	18,141	5,940	19,350	Yes
M I G - Upgrade Sportsfields	National Government	-	-	-	-	-	-	-	1,082,073	Yes
M I G - Urban Roads	National Government	-	-	-	-	5,686	5,737	-	-116,034	Yes
M I G - Pedestrian bridge Mbabantu River	National Government	-	-	-	-	-	707	-	-65,317	Yes
M I G - Pedestrian bridge Steadville to Ndombz	National Government	-	-	-	-	-	-	44,244	306,937	Yes
M I G - Pedestrian bridge Steadville to Industrial Area	National Government	-	-	-	-	-	-	-	4,281,783	Yes
M I G - Ezakheni Surface roads & Stormwater	National Government	-	-	-	-	-	-	-	108,974	Yes
M I G - Pedestrian Bridge Ezakheni to Esidakeni	National Government	-	-	-	-	-	-	-	108,974	Yes
M I G - Pedestrian Bridge Watersmeet to Burforc	National Government	-	-	-	-	54,454	277,618	807,363	4,705,230	Yes
M I G - Rural Roads	National Government	-	-	-	-	501	175,066	2,781,618	-88,693	Yes
M I G - Street Lighting All Areas	National Government	-	-	-	-	-	-	-	-	Yes
Town Planning Scheme Grant	Provincial Government	150,000	-	-	-	-	365,430	-	-	Yes
Area J Steadville Electrification	Provincial Government	-	-	-	-	-	-	4,711	-	Yes
Capacity Building Fund - Town Planner	Provincial Government	-	-	-	-	6,437	30,491	736	-	Yes
Cleanest Town Competition	Provincial Government	-	-	-	-	70	139	79	150,251	Yes
Community Development Workers	Provincial Government	-150,000	-	-	-	5,947	-	44,796	5,194	Yes
G I S - Town Planning Grant	Provincial Government	-	-	-	-	-	-	13,291	140,693	Yes
I D P Support	Provincial Government	-	-	-	-	-	2,113	-	-	Yes
Integration with REDS	Provincial Government	-	39,000	-	-	39,000	40,731	-	-39,000	Yes
L E D - Bambanani Farmers Association	Provincial Government	-	-	-	-	186,911	158,949	82,670	342,258	Yes
L E D - Pecan Nut Oil Project	Provincial Government	-	-	12,303	7,881	25,919	163,457	95,051	46,700	Yes
Thusong Centre Project	Provincial Government	3,621	4,753	-	-	-	-	-	154,000	Yes
Land Use Management System	Provincial Government	-	-	-	-	-	-	7,410	85,303	Yes
Multipurpose Centre : Abantungwakholwa	Provincial Government	-	-	-	-	-	1,491	-	-	Yes
Ntombis Camp Electrification	Provincial Government	-	-	-	-	-	-	-	45,500	Yes
Spatial Planning (LUMS)	Provincial Government	-	-	-	-	-	-	342,000	58,428	Yes
Technical Support Grant	Provincial Government	-	-	-	-	-	43,000	-	-	Yes
Umsobomvu Youth Fund	DPLGTA	-	-	1,500,000	-	-	1,341,607	-	655,181	Yes
Asset Management Grant	Public	138,124	31,734	2,163	70,184	899	80	-	123,024	Yes
System Strengthening Electricity	Various Municipalities	-	-	-	-	285	128	399	-	Yes
Job Evaluation - External Funding	-	-	-	-	-	-	-	-	-	-
		17,064,515	14,026,896	35,264,844	16,769,117	10,655,897	19,537,580	9,306,231	36,343,991	
					83,125,372				75,843,698	

